



Daily Report

East Europe

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CONTENTS

17 July 1996

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

ALBANIA

Albania: Military Exercises Seen as Contribution to Stability [ALBANIA 16 Jul]	1
Albania: Shehu Interviewed on Foreign Policy Priorities [GAZETA SHQIPTARE 17 Jul]	1
Albania: Berisha Congratulates Socialist Party on Reform [ALBANIA 13 Jul]	2
Albania: Democrats, Socialists Shake Hands at 13 Jul Meeting [GAZETA SHQIPTARE 14 Jul, etc.]	3

BULGARIA

Bulgaria: Zhelev Protests Nonpublication of Appointments [Sofia Radio]	5
Bulgaria: Interior Ministry Team To Probe Sofia Bombing [Sofia Radio]	5
Bulgaria: Dobrev Dismisses Sofia Police Chiefs [168 CHASA 15-21 Jul]	6
Bulgaria: BNB Governor, Ministers Deny Deal With IMF [TRUD 16 Jul]	6
Bulgaria: Minister Predicts Rises in Bread, Flour Prices [24 CHASA 16 Jul]	6
Bulgaria: Multigroup Allegedly Attacks Videnov [24 CHASA 13 Jul]	7

SLOVAKIA

Slovakia: Kovac Not Allowed To Inspect Technopol File [PRACA 13 Jul]	9
Slovakia: Meciar's Words About GM 'Meant Differently' [NARODNA OBRODA 16 Jul, etc.]	9
Slovakia: Firm Develops New 'Modifications' to Aircraft Engine [HOSPODARSKE NOVINY 12 Jul]	10

HUNGARY

Hungary: Horn Interviewed on Reforms, Coalition [Budapest TV]	11
---	----

BOSNIA-HERZEGOVINA

B-H: Izetbegovic, Holbrooke Comment on Talks [Sarajevo Radio]	14
B-H: Commentary: Holbrooke Visit Suggests Peace in 'Deep Crisis' [DNEVNI AVAZ 16 Jul]	14
B-H: Zubak, Izetbegovic Sign MPRI Contract on 'Equip and Train' [AFP]	15
B-H: Delic Explains Objectives of Train, Equip Program [NOVA BOSNA 15 Jul]	15
B-H: Report Claims 'Mujahidin' Training in Konjic Area [SLOBODNA DALMACIJA 15 Jul]	15
B-H: Continued Presence of Mujahidin in B-H Army Viewed [SLOBODNA DALMACIJA 15 Jul]	16
B-H: Iranian Business Delegation Discusses Reconstruction [Sarajevo Radio]	17
B-H: UN Reports 'Preparations for Combat' in Bosniak Village [AFP]	17
B-H: Croatian Media Waging 'Fierce Anti-Muslim Campaign' [TANJUG]	17
B-H: EU's Casado Leaves Mostar, Optimistic About Future [Madrid ABC 16 Jul]	18
B-H: SDA Approves, HDZ Disapproves of New Mostar Administrator [AFP]	19
B-H: West Mostar Mayor Refuses To Accept EU Election Decree [Zagreb Radio]	19
B-H: Bildt Remarks on Elections, Kosovo Issue [NASA BORBA 8 Jul]	20
B-H: Paper Profiles Serb Entity Presidential Candidates [VEČERNJE NOVOSTI 14 Jul]	22
B-H: Commentary on IFOR Attempts To Arrest Serb Officers [GLAS SRPSKI 11 Jul]	23
B-H: Commentary Criticizes Arms Control Accord [OSLOBODJENJE (Bosnian Serb) 27 Jun]	24

CROATIA

Croatia: Kantor's Visit, Goal of U.S. Support Viewed [NOVI LIST 15 Jul]	28
---	----

Croatia: War Crimes Suspect Kordic Reported Living in Zagreb [GLOBUS 12 Jul]	29
Croatia: Serb Chief Says No Problems in E. Slavonia Joint Police [TANJUG]	30

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

FYROM: Ethnic Albanians Demonstrate in Skopje [TANJUG]	31
FYROM: New Cases of Livestock Disease Reported [TANJUG]	31

POLAND

Poland: Rosati Views Relations With Slovenia, Europe [DELO 29 Jun]	32
Poland: Rosati Fears Vatican Reaction to Concordat Delay [Warsaw Radio]	34
Poland: Rosati Departs for Dublin [Warsaw Radio]	34
Poland: Government Modifies Foreign Ministry Statute [TRYBUNA 17 Jul]	34
Poland: Oleksy on Ruling Coalition's Actions, Policies [ZYCIE WARSZAWY 16 Jul]	34
Poland: Antiradar Camouflage Techniques [WOJSKOWY PRZEGLAD TECHNICZNY I LOGISTYCZNY Mar-Apr]	36

YUGOSLAVIA

Federal

FRY: Minister Says War Criminals' Arrest Difficult To Predict [BETA]	38
FRY: Negotiator Denies NBJ Dropped Lawsuit Against London Club [BETA]	38
FRY: German Envoy on Expanding Cooperation With FRY [TANJUG]	39
FRY: Opposition Parties Criticize New Citizenship Law [SRNA]	39

Serbia

Serbia: Daily Says Negotiations on Kosovo To Begin in Fall [SRNA]	39
Serbia: SPS's Dacic Rejects 'Blackmail' in Dialogue With Kosmet [BETA]	39
Serbia: Sandzak SDA Denies Meeting With Lilic Requested [BETA]	40
Serbia: Political Parties View Bosnia Problems [TANJUG]	40
Serbia: Increased 'Pressure' Forces ARGUMENT To Fold [BETA]	40
Serbia: Labor Institute Director Provides Unemployment Figures [DNEVNI TELEGRAF 15 Jul]	40
Serbia: Retired General on Prospects of Military Industry [VECERNJE NOVOSTI 9 Jul]	41

Montenegro

Montenegro: Karadzic Reportedly Repeatedly Turned Back at Border [NASA BORBA 16 Jul]	42
--	----

Kosovo

Kosovo: United Left Leader Praises Kosovo Residents [TANJUG]	42
--	----

Vojvodina

Vojvodina: PM Stresses Importance of Ties to China, Germany [TANJUG]	42
Vojvodina: VMDK Chairman Agoston's Past Exposed [MAGYAR SZO 31 May]	43

Albania: Military Exercises Seen as Contribution to Stability

AU1707110096 Tirana ALBANIA in Albanian
16 Jul 96 p 1

[Editorial: "Albania and the Stability of the Balkans"]

[FBIS Translated Text] In the Balkans, which are one of the challenges to the ideas of the post-Cold War new order, attempts are being made to establish negotiations among the various regions on the basis of common principles rather than on the ever-divisive legacy of history. With the special attention of the United States and the EU, all the Balkan states are trying to contribute to the reestablishment of peace and dialogue and to the construction of the institutions of a civil society. It is also true that the Balkans, which have always reflected the policies of the great powers, are showing proof of a cooperation rather than a clash of interests. The region is helping to blunt the 300-year-old imperial policy of Russia and the expected change in this policy will strengthen security not only in Europe.

Albania is one of the oldest parts of the region and Albania is beyond all doubt investing in the region's stability. In Albania yesterday, with the aim of establishing dialogue and a partnership for peace, nine countries that are members of NATO and Partnership for Peace began multinational exercises which have been noted as the largest in East Europe so far. Albania, the organizing country, under the care of the United States, has thus been contributing to the establishment of communication not only among civil and institutional bodies, but at military level. The military exercises "Albania '96" are expected to mark a great military step forward. Meanwhile, Albania has declared its clear goal of becoming a NATO member.

The Albanian initiative, the ambition to become integrated into European and Atlantic security structures, and the readiness of the Albanian Administration to make the necessary concessions to NATO for military operations in the region are a clear expression of Albania's determination to help stability.

It is the region's history that makes the Albanian factor decisive. The talented mediator Richard Holbrooke is again flying to the Balkans on the threshold of a major event, the elections in Bosnia—an endeavor to construct a civil society. However, peace hangs by a thread, and the distinguished diplomat Holbrooke will need to pressure Milosevic to exclude from the game the leader of the Bosnian Serbs, Karadzic, who has been declared a war criminal. In the final analysis, even if everything works (which would be a miracle) and if Karadzic were to agree to go to trial and civil

elections were to take place in Bosnia, the price of the achievements will remain appallingly dear. Let us remember Srebrenica alone. The question is to prevent other Srebrenicas. The fact that peace in Bosnia hangs by a thread does not create an opportunity to put pressure on Milosevic over Kosova, and this may be justifiable. However, in the meantime, the course of the negotiations is heaping more and more power onto Milosevic's side of the table, and Milosevic may emerge from tomorrow's negotiations as a superior godfather. It is this course the negotiations are taking and this "double standard" (because Bosnia's Republika Srpska has never existed historically and has never possessed the territorial, historical, and linguistic unity of the Albanians of Kosova) that is leading to a loss of patience among the Albanians in Kosova and their peaceful leaders. To mention the right to education, which is as old as the world itself, Kosova is the only region in civilized Europe in which schools are forbidden to exist. Almost the same is true of Macedonia. Albanians want to see all their Balkan partners and the important powers outside the Balkans showing the same attention and seriousness that they themselves are showing.

Albania: Shehu Interviewed on Foreign Policy Priorities

AU1707112996 Tirana GAZETA SHQIPTARE
in Albanian 17 Jul 96 p 3

[Interview with Tritan Shehu, deputy prime minister, foreign minister, and Democratic Party chairman, by Rezair Xhaxhiu in Tirana on 16 July: "With Europe, But Carefully With Our Neighbors"]

[FBIS Translated Text] Tirana—"Changes in the ministry? It is still too early to say," said Tritan Shehu, asked what his first strategies in the ministry will be. According to the foreign minister, Albania's further integration into European and Atlantic organizations and relations with our neighbors will be the first priorities of an elite corps of diplomats. "I will try to do my best," added the politician who holds three offices at the apex of the state pyramid.

[Xhaxhiu] Where will Foreign Minister Shehu start work?

[Shehu] My activities as minister will start by continuing the Democratic Party's program to build on what we have started in the last four years, toward Albania's final integration into Europe's community.

[Xhaxhiu] Will the new foreign minister have priorities?

[Shehu] One of the priorities of the ministry I head will be intensive work by the Albanian diplomatic corps and other political and diplomatic organizations. Another

equally important area will be intensifying relations with neighboring countries, with more diverse economic, social, and cultural cooperation. These are fields with a common interest for us and for our entire region.

[Xhaxhiu] What aspects of Mr. Serreqi's foreign policy do you think you can correct?

[Shehu] I think this period has been a successful one and it will be remembered as the time when Albania emerged from isolation toward secure integration in European and Atlantic structures. I nevertheless take the view that much remains to be improved. A dynamic period also demands qualitative improvements in our diplomacy, and I will try to achieve these.

[Xhaxhiu] You therefore favor elite diplomats in contrast to the emergency diplomats of 1992.

[Shehu] We are now in a phase of multifaceted cooperation with the OSCE [Organization for Security and Cooperation in Europe] countries and with European organizations at many different levels. Ensuring progress of this process means more flexible diplomacy.

[Xhaxhiu] Does this mean for you changes in the ministry, in its structure, or in its personnel?

[Shehu] It is still too early to answer this question. I have only just arrived in my office. I am just getting to know the structures and the working methods. However, I can say that there is always room for qualitative change, and this is a demand of the times.

[Xhaxhiu] How would you ask Tritan to improve himself after climbing to the peak of Albanian diplomacy?

[Shehu] He has never worked in a post of this type before, and I would tell him to adapt to the demands of the times. I will try to do my best. Time will tell how far I will succeed.

[Xhaxhiu] Will the three posts, or only one of them, influence Shehu the man?

[Shehu] I will do my best with all my strength. I base my belief on the advantage of my age. However, I also see an organic link among the posts that I occupy. I will try to preserve this link with all the resources at my command.

Albania: Berisha Congratulates Socialist Party on Reform

AU1407150396 Tirana ALBANIA in Albanian
13 Jul 96 p 3

[Interview with President Sali Berisha by unidentified staff reporter in Tirana on 12 July: "The Defeat of the Socialist Party—Historic for the Albanian Left"]

[FBIS Translated Text] President Sali Berisha spoke out about recent developments in the Socialist Party [PS] for the first time yesterday. While he has been appealing for a long time for a reform of the Albanian left (the PS), publicly asking for a renunciation of Marx and his philosophy and a break with Enver Hoxha and the totalitarian legacy of the dictatorship in Albania, Berisha has now pronounced for the first time on new developments in the party, saying "the date of 26 May was a historic day in the sense that it separated Albania from its past once and for all, and pushed her in the direction of the West. However, I wish to assure you," Berisha said to journalists after the official ceremony for swearing in the new government, "that the defeat of the PS was historic for the Albanian left. Its defeat in the 26 May elections gave the PS an opportunity for genuine renewal, on which I congratulate it." After this statement, the newspaper ALBANIA asked the president to talk about recent trends in the PS.

[Reporter] Mr. President, you have just said that you consider the defeat of the PS in the 26 May elections to be historic for the Albanian left. Can you comment a little further?

[Berisha] I have no other comments, except to congratulate sincerely the PS on the steps it is taking in the direction of reform. I consider this an important event not only for the PS, but for the entire country, involving a condemnation of Marx and his totalitarian philosophy, and a condemnation of Enver Hoxha and the dictatorship he established in Albania.

[Reporter] You long ago appealed to the PS to condemn Marx, to cut out his philosophy from its program, and also to break with the legacy of Hoxha and Alia. Now the PS leaders themselves have announced a reform, on this very basis. Have you any comment on this?

[Berisha] I think that the reform of political forces is an internal matter for the members, supporters, and leaders of the party concerned. It is their duty to work for the future of the party to which they are committed.

[Reporter] Now a question for Berisha the politician and not the president. Which do you trust most, the motion submitted by Chairman Fatos Nano or the platform of the PS Presidium?

[Berisha] I trust most the program of the Democratic Party.

Albania: Democrats, Socialists Shake Hands at 13 Jul Meeting

AU1407184596

[FBIS Report] The Albanian press on 14 July gives extensive coverage to talks held between delegations of the Democratic Party (PD) and the Socialist Party (PS) in Tirana on 13 July. The talks, originally scheduled to plan the organization of local elections, agreed to establish a joint commission that will lay down a timetable for further dialogue on a wide range of issues. Members of both delegations give positive assessments of the talks.

Tirana GAZETA SHQIPTARE in Albanian carries on page 3 a 600-word report by Elio Elini entitled "PD and PS Face to Face Across a Table." The report mentions that the PD was represented by Tritan Shehu, Ali Spahia, Besnik Gjongecaj, Ylli Vejsiu, and Ferdinand Xhaferri, and the PS by Servet Pellumbi, Namik Dokle, Luan Hajdaraga, Et'hem Ruka, and Musa Ulqini. The report states:

"The superpowers of Albanian politics yesterday shook hands and created a joint commission headed by deputy chairmen of the parties in order to define an agenda for talks. This was the initial goal of the dialogue between the PD and the PS, who met for the first time after the conflict-ridden elections of 26 May. Their dialogue will focus on the Antigenocide Law, the constitution, and the organization of local elections. 'This meeting will bring together the Albanian political forces and will point to a solution to the country's political situation,' PD Chairman Tritan Shehu said after the meeting. 'The meeting will concentrate on further easing tension in the country,' PS Deputy Chairman Servet Pellumbi said, telling journalists that his party was sure of a new atmosphere in the rivalry between the parties."

The report continues: "There were handshakes and smiles before the doors closed on the meeting. Only one heated altercation that flared up between Ali Spahia and Namik Dokle spoiled the peaceful atmosphere of the start of the talks. After the departure of the cameramen,

the Socialists were first to open the discussion with the Democrats. 'We are pleased that dialogue between us has been established,' Pellumbi said, later stressing that 'a meeting of this kind should have been held long ago.' PD Chairman Shehu adopted the same tone: 'Right, it should have been held long ago,' he said to the Socialist leaders."

The report continues: "There was coffee and Sprite for the 10 politicians only 20 minutes after the talks started. The two parties later agreed to form four-member committees that will define the agenda for the PD-PS talks. The committees will be headed by party deputy chairmen and will start work tomorrow. 'I have a great deal of faith that all the difficulties can be overcome through dialogue and mutual trust, and that all the problems created after the 26 May elections can be solved,' PS Deputy Chairman Luan Hajdaraga told GAZETA SHQIPTARE."

The PS paper Tirana ZERI I POPULLIT in Albanian carries on page 2 an 800-word report by Beqir Shkreli under the headline "Meeting That Paved the Way for Dialogue." The report states:

"As initiators of the meeting, the PS delegation put forward the following main issues:

"First, a start to political dialogue. It was proposed that a roundtable should start work before the end of July. As a beginning, this table will start with those parties that were represented at Strasbourg.

"Second, a group of experts will prepare for the roundtable of parties a timetable for bilateral consultations.

"Third, it was proposed that a special item in the roundtable discussions will be the organization of local government elections and the creation of conditions for them to be free, honest, and under the scrutiny of international organizations.

"Fourth, the creation of the necessary legal framework for new parliamentary elections on the basis of the proposals of the Council of Europe and the OSCE, with the repeal of the Antigenocide Law and improvements to the Electoral Law.

"Fifth, to seek support together from OSCE and Council of Europe observers for the progress of the party roundtable and the preparation of the next parliamentary and local elections.

"At the end of the meeting, both delegations called the talks successful.

"Servet Pellumbi said: 'The meeting was useful and constructive, especially in creating a climate for the dialogue that is so necessary in this difficult situation of

crisis that the country is experiencing, but also in order to respond to the repeated demands of international institutions, which have insistently demanded an easing of tension and the opening of the path toward dialogue."

"Tritan Shehu said: 'This was a preliminary meeting to pave the way to bilateral and multilateral talks among the Albanian political forces.' Shehu made positive remarks and considered the meeting to be a constructive one.

"In their statements after the meeting, the two political forces nevertheless seemed determined to hold fast to their previously announced political positions. Yesterday's meeting resembled an encounter between two boxers before they enter the ring, in which they shake hands and discuss the rules of the game. The PD, as Chairman Shehu said, hopes that 'dialogue will make the political forces aware of the legitimacy of the parliament,' while the PS hopes that the dialogue and the roundtable will make possible the realization of its objective of a repeat of the parliamentary elections. Time will tell how these meetings will proceed. What was specifically achieved at yesterday's meeting was that the road was opened for talks; it was agreed to improve the Electoral Law and the law on local government; the

need to expand the discussion table was agreed; and it was agreed to hold a meeting of four experts from each party in order to prepare a timetable for talks and to carry out changes to the aforementioned laws."

The pro-government Tirana ALBANIA in Albanian carries on page 3 an 800-word report by Avni Neza entitled "Constructive Spirit, Local Elections, Constitution...."

The report states: "One subject on which views were exchanged was the constitution, on which Shehu put forward his own party's position. 'We are open-minded on this issue,' he said, 'but a parliamentary commission for the constitution must first be created, as the law prescribes, because only this parliamentary commission can prepare the draft constitution. We also want the left-wing opposition, not only the right-wing opposition, to be coauthors, because the constitution belongs to everybody and calls for cooperation with the left, too. However, this above all demands the return of the left-wing opposition to parliament in order to take part in the commission to prepare the draft constitution, which will subsequently go through the procedure for its approval.'

"Pellumbi said that this is one of the things that can be included in the agenda for discussion."

Bulgaria: Zhelev Protests Nonpublication of Appointments

AU1607180596 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 16 Jul 96

[Address by Bulgarian President Zhelyu Zhelev to nation, in Sofia on 16 July—recorded]

[FBIS Translated Text] Dear Compatriots:

In accordance with the Constitution of the Republic of Bulgaria, the president in exercising his powers issues decrees. By such decrees, the presidents of the Supreme Court of Cassation and the Supreme Administrative Court were appointed at the proposal of the Supreme Judicial Council.

These decrees have to be duly promulgated in DURZHAVEN VESTNIK, which is the official printed publication of the Republic of Bulgaria. No one can permit himself to stop the promulgation of an act of the head of state, including the chairman of the National Assembly, who is charged with seeing that the Law on DURZHAVEN VESTNIK is carried out. Neither parliament, nor the Council of Ministers, nor any other organ can permit itself to evaluate the constitutionality of acts of the head of state. Only the Constitutional Court may make such an assessment, if application is made to it following promulgation of the act.

Today, we citizens of the Bulgarian state, for the first time in our history, woke up this morning to find that we had a DURZHAVEN VESTNIK, Issue No. 60, with two different contents. The first version was recalled and replaced with new contents that did not include the presidential decrees. A grave violation of the Constitution has been committed in an attempt to stop the acts of one of the main state institutions.

Today's case is a dangerous precedent that strikes a blow against our statehood and sheds doubt on the functioning of the main state institutions. Bulgaria is represented to the outside world as a democratic, law-governed state. The detection of the specific perpetrators of this act is a matter for the independent judiciary, but the political responsibility is carried totally by the ruling party, which recently has been identifying itself with the state, grossly violating the Constitution and the laws of the land.

As head of state, I cannot tolerate these incidents, and in the future will not hesitate, in exercising my powers, to apply to the Constitutional Court asking it to issue a ruling on the constitutionality of the Bulgarian Socialist Party.

Bulgaria: Interior Ministry Team To Probe Sofia Bombing

AU1707111096 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 17 Jul 96

[FBIS Translated Text] At 0012 hours last night [2112 GMT on 16 July], a terrorist act was committed at the trade center in the National Palace of Culture in Sofia. Here is Tanya Velichkova with a report on the facts of the incident, based on official information from the Interior Ministry Press Center.

[Velichkova] There are no dead or injured, but substantial material damage has been caused, mainly to the ticket office and the souvenir store beside it. The device exploded in the area between the two establishments. It is calculated that the explosive force was equivalent to that caused by between 1.2 and 1.4 kgs of TNT. A further 15 commercial premises on the side toward Vitosha Boulevard suffered various degrees of damage, including the Balkan Air office, the Rila office, and the entrances to the Sofia Hall. Mainly the display windows are shattered.

A special antiterrorist unit, a group of investigating officers from the Interior Ministry, and fire department vehicles were on the scene immediately. Police were sent to search the area, check the identities of suspicious individuals, and find any witnesses. The ambulance service and the Pirogov Emergency Clinic were put on alert. The search of the area is now in progress and materials collected have been sent for expert examination.

At the time of the explosion, the Miron Discotheque was open at the eastern end of the pedestrian subway. Those who were in the discotheque at the time were checked and 30 of them, who were carrying no papers, were taken to the Eighth District police station to establish their identities. All were subsequently released. Six homeless children who were found in the subway in the night were also questioned at the police station, with a teacher and a psychologist in attendance. Security measures have been taken to ensure the safety of vehicles and public transportation.

The Interior Ministry reports that the Central Service for Combating Organized Crime has set up a group to work on the incident. The search continues for witnesses to the incident. The Interior Ministry officers are taking preventative measures and are making inspections at the airport, train stations, pedestrian subways, bus and tram stops, etc. to prevent any similar incidents.

Bulgaria: Dobrev Dismisses Sofia Police Chiefs
AU1507151896 Sofia 168 CHASA in Bulgarian
No. 29, 15-21 Jul 96 p 14

[Article by Lidiya Lecheva: "Dobrev Against Private Police Districts"]

[FBIS Translated Text] Offenses have been committed within the Interior Ministry that border upon trampling the law underfoot, Interior Ministry Nikolay Dobrev declared at a meeting with the cream of Sofia's police on the morning of Friday 12 July. At the meeting, the orders were read under which the minister dismissed Lieutenant Colonel Stoyan Stoyanov, chief of Sofia's Eighth District, Lt. Col. Ventsislav Rangelov, and Captain Dimitur Kolomenski because of their criminal connections with security guards.

"We cannot have private police districts," the minister said.

Officers Rangelov and Kolomenski organized the beating up and abduction of the suspected criminal Ivan Benchev, which ended in his death. Another officer from the Eighth District is already in custody for what occurred.

Benchev and his friend Spiridon Marinov were detained in custody at the district police headquarters at 1800 on 14 April without an order issued for their arrest. After their release, they were attacked only 50 meters from the police station, which is in Lozenets District. Benchev was abducted in a car, while Marinov was beaten up. Afterwards, Marinov telephoned the police station several times, but no one took any notice of him. Benchev was found on 15 April in the vicinity of Sofia Zoo with a shattered skull. According to the materials of the investigation, Benchev had been tormenting Lt. Col. Rangelov and his family for many months. He had made a telephone call about a bomb in Sofia Cathedral on Easter Day. He had sent hearses, water company vans, and ambulances to the police headquarters. Police describe him as a petty thief and Bohemian. The brother of the telephone hoaxer was one of Rangelov's informers.

It appears that the police had had enough, and when Benchev was arrested the next time they contacted former colleagues who were now employed in a well-known security organization. The colleagues, however, were overenthusiastic in scaring Benchev, because they left him dead.

"We will resolutely cleanse our ranks of all officers who have lost their police officer qualities," Sofia Police Chief Krasimir Petrov told 168 CHASA.

Bulgaria: BNB Governor, Ministers Deny Deal With IMF

AU1607153996 Sofia TRUD in Bulgarian 16 Jul 96 p 8

[FBIS Translated Text] The talks between the governor of the Bulgarian National Bank (BNB) and President Zhelev on the candidates for seats on the BNB Board will be concluded today. BNB Governor Lyubomir Filipov announced this yesterday, refusing to specify any names. He said that only one candidate remained to be agreed. It is presumed that the post involved is that of chairman of the Bank Supervisory Council. The three candidates already agreed are reportedly Krasimir Angarski (of the Bulgarian Investment Bank), Andrey Nikolov (of the Slavyani Bank), and Pavlina Anachkova (Credit-Express Bank). Photographers from Sofia newspapers were not permitted to take pictures of the Filipov's meeting with the president.

Lyubomir Filipov denied and described as illiterate the allegations that the government had reached an accord on hyperinflation and an average monthly wage of \$50 in its negotiations with the IMF. "If the national average wage falls to \$50, I guarantee to you that we will have zero inflation," Filipov said. The latest official figure on the average wage, relating to March, is 9,829 leva, which at the moment is equivalent to less than \$50 at the BNB's latest dollar fixing.

Such an alternative has not been discussed, nor it is embodied in any document, Mincho Koralski, the minister of labor and social welfare, said regarding the trade unions' accusations. In Koralski's opinion, hyperinflation is a theoretical way of solving certain state problems, but no one intends to apply it. "When someone does not know something, he should keep quiet," Finance Minister Dimitur Kostov said in response to the allegations that the government is deliberately seeking to cause hyperinflation.

Bulgaria: Minister Predicts Rises in Bread, Flour Prices

AU1607163996 Sofia 24 CHASA in Bulgarian
16 Jul 96 p 13

[Report by unidentified 24 CHASA correspondent on news conference by Agriculture Minister Krustyu Trendafilov in Sofia on 15 July: "Prices of Flour and Bread Will Rise Further"]

[FBIS Translated Text] [24 CHASA] Mr. Trendafilov, how much of the grain crop has already been harvested?

[Trendafilov] I do not have the latest figures. According to the figures of 12 July, about 15 percent of the wheat fields and about 80 percent of the barley crop have been

harvested. Generally speaking, the yields are according to the forecasts.

[24 CHASA] Will we have to import grain?

[Trendafilov] We will need to import grain in any event.

[24 CHASA] How much?

[Trendafilov] Regarding bread wheat, we need to import about 400,000-450,000 metric tons.

[24 CHASA] From which countries?

[Trendafilov] We have offers from various grain-trading companies.

[24 CHASA] Have we used up our quota in the barter deal with Serbia?

[Trendafilov] Not yet, we still have to receive around 20,000 metric tons.

[24 CHASA] The flour mills say they have no grain.

[Trendafilov] Well, they should go out and buy some.

[24 CHASA] From where?

[Trendafilov] From what has been produced, there are no problems in this respect.

[24 CHASA] Will the price of bread rise or not?

[Trendafilov] As things are going now, it is normal for the price of bread to vary in accordance with the new price for wheat.

[24 CHASA] By how much will the price increase?

[Trendafilov] First, I do not know what the price is now. It varies from district to district and on how much wheat is available from last year's crop. However, we are purchasing wheat from the new crop at somewhere around 21-23 leva per kilogram. This implies that the prices of flour and bread will rise accordingly.

[24 CHASA] By how much will the flour price increase from today's?

[Trendafilov] I cannot tell you. The mills will calculate the prices, depending on how much old wheat they have available and how much they have bought from the new crop.

[24 CHASA] Will the price of a loaf of bread rise to 100 leva?

[Trendafilov] Ha, ha.

Bulgaria: Multigroup Allegedly Attacks Videnov

*AU1607153596 Sofia 24 CHASA in Bulgarian
13 Jul 96 p 9*

[Article by Emil Spakhiyski: "Multigroup and Videnov: The Last Battle?"]

[FBIS Translated Text] Multigroup has made an open attack on Prime Minister Zhan Videnov. It happened on Monday 8 July, when STANDART NEWS published a report from the Balkan News Agency on a forthcoming BSP [Bulgarian Socialist Party] investigation of Vladimir Zheglov. The next day, DEMOKRATSIYA published a commentary by Radio Free Europe on the same topic.

The prime minister's economic adviser was accused of provoking the collapse of the lev in recent weeks. According to STANDART NEWS and the Balkan Agency, Zheglov was behind speculative deals involving large amounts of foreign currency between the Neftochim Refinery in Burgas and Biochim Bank, which allegedly caused a rise in the dollar. Zheglov himself, however, reportedly profited from the changes in the exchange rate.

The second accusation is that Zheglov's conscience is burdened with the grain for oil deal with Yugoslavia. According to the Balkan Agency, the barter deal produced losses of over \$20 million for Neftochim.

The third and final shot fired at Videnov's close adviser is that he advocated the merging of the Petroleum Company and Neftochim into a holding group which, according to Radio Free Europe, would have ruined the profitable Petroleum Company.

It is well known that Zheglov is one of Videnov's closest associates and that the prime minister relies a lot on him. The economic adviser is a member of Neftochim's Board of Directors and chairman of the Supervisory Board of Biochim Bank. He holds these posts as representative of the executive and offers a convenient target for anyone wishing to attack Videnov.

A source in the BSP Executive Bureau says that the BSP will not investigate Zheglov, and there have been no proposals that this should be done.

Investigations indicate, however, that the published information is not true. Neftochim Executive Director Stefan Nedelchev told 24 CHASA: "We concluded the deal in early December, only days following the lifting of the Yugoslav embargo." He said that Neftochim's strategy was to intervene in the Yugoslav market immediately after the sanctions were lifted. It planned to win major positions in the export of petroleum products to Belgrade. The Serbs are expected soon to commission

their own refinery in Pancevo. Specialists comment, however, that it is not expected to be big enough to satisfy Yugoslavia's needs.

"Burgas is the most advantageous place from where the Serbs can obtain fuels, and we cannot allow ourselves to miss this chance," Nedelchev said. Thus, the oil for grain deal is part of the refinery's strategy, and not an isolated act. Originally, Neftochim contracted to export 100,000 metric tons of diesel fuel to Yugoslavia, which Belgrade was to pay for in foreign currency. Deliveries were to start in January this year. After the first 10,000 tons had arrived in Serbia, it became clear that payment in foreign currency would pose difficulties. At that time, some of the Belgrade's foreign currency accounts were still frozen.

At this point, Neftochim received the oil for grain offer. This deal was reportedly profitable for both sides. For Sofia, grain was a suitable commodity because of the forecasts of a crisis. According to sources at Neftochim, at this point the Serbs were ahead of Neftochim in their deliveries, having delivered 96,000 tons of grain against 86,000 tons of diesel. The entire deal was worth \$16 million, so that the talk of losses of \$20 million is exaggerated. Stefan Nedelchev said that Neftochim had received back almost all the money spent on the grain from the mills and bakeries that bought it. "This deal has nothing to do with Neftochim's financial condition," Nedelchev claims. The petroleum, equivalent in amount to two tanker loads, was exported over several months. In comparison, during the same period the refinery had processed over 50 tanker loads of oil.

The Balkan Agency's allegation that Zheglov wants to merge the Petroleum Company with Neftochim does not hold water either. "Such a proposal was not even discussed at the board's meeting," Stefan Nedelchev said.

The Balkan Agency also made the curious allegation that Zheglov lay behind speculative dealing with large amounts of foreign currency between Neftochim and Biochim Bank, which was one of the reasons for the collapse of the lev.

According to a note sent by E. Angelov, head of Biochim's Markets Department, to Executive Director Vi. Georgiev, the Biochim's last sale of foreign currency

to the refinery was on 31 May. The deal was for \$500,000 at a rate of 152.32 leva to the dollar. Biochim purchased this amount from Chimco in Vratsa, one of the bank's domestic clients, so that Biochim did not enter the interbank market for either of the deals. This means that Biochim's foreign currency deals cannot have affected the dollar rate in any way. Dealers assert that even if Biochim had entered the interbank market, a deal of this amount would not have influenced the market significantly. Accordingly, it is unclear how the speculation occurred or how Vladimir Zheglov profited from it.

It emerges that the accusations disseminated by the Balkan Agency hold no water, and that the agency's anonymous sources are manipulating rumors. One wonders why STANDART NEWS did not trouble to check the information.

Everyone knows that the Balkan Agency is controlled by Multigroup. Reliable sources claim that at the end of last week the agency signed a contract with STANDART NEWS.

In April, a number of Balkan Agency reports appeared in the Socialist DUMA daily. In a long article published on 16 April, Stefan Petrov of the Balkan Agency explained to the newspaper's readers why Multigroup would win the Chimco case in the Vratsa District Court. Later, Multigroup won the case.

On Thursday, 11 July, parliament was supposed to amend the State Budget Act, which was to have pre-terminated the dispute between Chimco and Multigroup in the government's favor. On 15 July, the Supreme Court is due to issue a ruling on the Vratsa district court's verdict without amending it. The situation, however, is unpredictable. It will be no wonder if this turns out to be the last battle between the prime minister and Multigroup.

Sources in the Council of Ministers claim that soon the cabinet and the Bulgarian National Bank will bring pressure to bear on Multigroup concerning its debts owed to Balkanbank, which amount to almost \$100 million. According to the sources, Vladimir Zheglov supports this proposal.

Slovakia: Kovac Not Allowed To Inspect Technopol File

AU1607134096 Bratislava PRACA in Slovak
13 Jul 96 p 2

[Report by Ivan Ceredjev: "Prosecutor General Refused To Give Investigation File to the President; Ivan Trimaj: The First Such Case in 75 Years"]

[FBIS Translated Text] Bratislava—Michal Valo, prosecutor general of the Slovak Republic, refused to issue the Technopol case investigation file to President Michal Kovac, who is considering pardoning several persons who had been criminally prosecuted in Slovakia. "From the viewpoint of constitutional law, the prosecutor general's course of action comes as a shock to me," Ivan Trimaj, director of the Presidential Office Legal Department, told PRACA yesterday. According to Trimaj's, if the president is to decide to grant a pardon, he can do so only on the basis of facts cited in the investigation file. "Since the founding of the first [Czechoslovak] republic in 1918, I do not know of a case when the president did not get the file. In my opinion, the prosecutor general clearly did not fulfill his constitutional duties," Ivan Trimaj stressed.

Last month, Michal Kovac asked for the investigation file on the Technopol case, in which his son, Michal Kovac Jr., is one of the persons being prosecuted. The request, which was made through Miloslav Hladik, director of the Presidential Office Public Relations Department, was addressed to the [Bratislava] city prosecutor. In his reply, the city prosecutor stated that the request was passed on to the prosecutor general, who is supposedly "studying whether the president has the right to grant a pardon." Two weeks ago Michal Kovac repeated his request in a personal letter addressed directly to Michal Valo. The prosecutor general replied by informing the president that he cannot make the file available because this would not conform to provisions of the Penal Code and he announced that he is submitting a petition (podnet) to the Constitutional Court, which should decide whether the president has the right to request an investigation file. According to Miroslav Hladik, Michal Kovac will turn to the Constitutional Court with his own petition.

Michal Kovac recently confirmed that he was considering pardoning his son to enable him to travel to Germany to subject himself to the investigation of the fraud case there. These considerations were prompted by the fact that, in June, the Slovak authorities prevented Michal Kovac Jr. from leaving for Munich and confiscated his passport on the grounds that he is being criminally prosecuted. If Germany drops the charges against the president's son, it would mean the loss of political

prestige for the president's opponents, who have been trying for two years to discredit him by referring to the alleged criminal activities of his son.

Slovakia: Meciar's Words About GM 'Meant Differently'

AU1607143396

[FBIS Report] Slovak newspapers on 16 July publish reactions to Slovak Prime Minister Meciar's comments at a meeting with workers in Snina, eastern Slovakia, on 12 July, on the background of the Slovak Government's abortive talks with General Motors [GM] in 1990-91 on the U.S. firm's involvement in Slovakia.

Bratislava NARODNA OBRODA in Slovak on 16 July on page 1 carries a 500-word report by Ivan Samel entitled "GM Would Not Negotiate With the Slovak Government for More Than 10 Months If It Were Not Serious About the Realization of the Project." The report cites a statement provided to NARODNA OBRODA by Oto Linhart, public relations manager of Andrej Barcak, "representative of the GM concern for the Slovak Republic, resident in Prague," in reaction to the Slovak prime minister's claim in Snina that the GM's interest was "not serious." In his statement, Linhart reportedly stated that "GM only submits serious offers" and that it was the Slovak Government that did not accept its offer, put forward in late 1990/beginning of 1991, "for the utilization of the BAZ [Bratislava Automobile Works] plant for the production of automobiles and components." According to Linhart, "within the framework of this offer, the involvement of various Slovak supply organizations as subcontractors for the BAZ plant was considered" and the GM technicians therefore inspected "a number of companies from the viewpoint of the possibility of introducing the production of components." Because "none of these companies was up to the standard of the BAZ project," the concern's management finally opted for "alternatives outside the territory of the then CSFR." As a result, "the projects proposed for Slovakia have ultimately been realized in Austria and Hungary." In conclusion, the GM representative states that "the GM would not negotiate with the Slovak Government for more than 10 months if it were not serious about the realization of the projects."

Bratislava SME in Slovak on 16 July on page 1 carries a 300-word report by "rzi" entitled "According to Spokeswoman Pospisilova, Meciar 'meant differently' his words about the offer for GM." The report states that "Magda Pospisilova, the prime minister's spokeswoman, yesterday described Prime Minister Vladimir Meciar's words that, some time ago, the management

of the U.S. GM concern had rejected the offer to privatize the Dubnica arms factory for one koruna as torn out of context." Asked by SME about Meciar's remarks, Pospisilova reportedly stated: "It was not meant that way. That is torn out of context. All kinds of possibilities and offers are discussed in a noncommittal debate with a potential foreign investor, but not on a contractual basis."

Slovakia: Firm Develops New 'Modifications' to Aircraft Engine

AU1607145096 Bratislava HOSPODARSKE NOVINY in Slovak 12 Jul 96 p 2

[CTK report: "New Modifications of DV-2 Engines From Povazske Strojarne; Will They Improve the Commercial Chances of the Albatros Training Jets?"]

[FBIS Translated Text] Povazska Bystrica—New modifications to the DV-2 jet engines from Povazske Strojarne [Vah Valley Engineering Works] could significantly increase the commercial chances of training jets of the "Albatros" type. The DV-2 engines are so superior

to competing products in terms of specific weight, fuel consumption, and price per flight hour that AERO's L-59 should not actually have any direct competitor today. This was stated by J. Bednar, chief designer of Povazske Strojarne's Aircraft Engines Division. The armies are waiting for new aircraft because the number of training jets worldwide has dropped to about one-quarter of their number 10 years ago and because newly developed types will reach the market in only a few years. An estimated 4,000 training aircraft are in the world at present, while estimates of future requirements speak about 8,000 to 10,000 units. The Russian Yak-130, for example, which will be equipped with the DV-2S (RD-35) engine, should reach production stage in three years at the earliest. The new modifications of the DV-2 engine are designed for 2,000 operating hours without any need for the replacement of modules prior to general overhaul. For some parts, a multiple of this number of operating hours is envisaged. Competing engine types must replace some modules every 100 or every 200 flight hours.

Hungary: Horn Interviewed on Reforms, Coalition
LD1507154996 Budapest MTV Television Network
in Hungarian 1810 GMT 14 Jul 96

[Studio interview with Hungarian Prime Minister Gyula Horn by Janos Bethlen—live]

[FBIS Translated Excerpt] [Bethlen] Good evening. [passage omitted] It seems to me that you are in a slightly less good mood than two years ago. Am I right?

[Horn] Yes, many times I have a good reason for this, because the implementation of our plan does not always turn out in the way we wanted. Our plans also have a lot of opponents. The style occasionally dominating parliamentary debate does not really cheer me up either. [passage omitted]

[Bethlen] Two years ago we discussed your expectations and plans. I have a feeling—although I cannot list your plans—that many of your plans and the government's election promises have not materialized. What is the reason for this? [passage omitted]

[Horn] The Hungarian Socialist Party and I keep our promises. [passage omitted]

Obviously, many things take longer than expected. [passage omitted]

Our election program—our political program prepared for the election campaign—was meant to be a program for a four-year parliamentary term. In practice, this means that if we meet certain conditions—for example, if we are able to meet the very hard and harsh requirements of the economy's stabilization—we will be able to realize all these plans on the basis of the country's performance. [passage omitted]

After two years we have come to a point in the country's financial situation when there is no need for a further fall in wages in 1997, pensions can follow price rises, the social security system will increasingly be a means tested system, and other things. [passage omitted]

I am certain that the situation will improve, but I would like to stress that this will happen only if we continue the stabilization process. [passage omitted] There is no need—and we have no intention—to take any kind of extraordinary measures any more. [passage omitted] We had to reestablish the confidence of our international financial and economic partners in Hungary. [passage omitted]

[Bethlen] This equilibrium is very unstable, is it not?

[Horn] I do not think it is unstable, but I have to draw attention to the fact that we cannot stop here. We have to insist on...

[Bethlen, interrupting] Could this process be softened in the next two years in preparation for the elections?

[Horn] No, it cannot happen. I am committed to stabilization and reforms, not because it is a nice thing to do, or it would be fun or our hobby to do, but because these things simply have to be done. [passage omitted]

[Bethlen] What will happen to the energy price rises scheduled for this autumn?

[Horn] Calculations are being done. This is the final phase, by which I mean that in autumn 1996 we have to introduce one more phase in the price rises. This, perhaps, will be far less serious than the price rises over the past two years.

We had to implement an agreement—which was concluded but not implemented by the previous government—on raising prices to the level of costs. We had to start doing this. As a result, prices rose by 95 percent over the past two years. This was an enormous challenge for both the population and the entire economy. [passage omitted] We need a safe and feasible energy supply system in the long term.

[Bethlen] If the expected energy price rises are not implemented, for example for social reasons, the guarantees toward the recently privatized part of the energy sector will have to be honored using funds from the budget. The budget will have to cover the difference between costs and prices.

[Horn] There is no money for this in the budget. This affects not only the population but the entire economy. Energy prices will have to reflect costs. In addition to this, we have a large number of obsolete, outdated power generators that have to be modernized to serve the country's energy needs. [passage omitted]

[Bethlen] Are you sure there is less corruption in privatization than before?

[Horn] There is not only less, it has practically disappeared from privatization decisions. I am not saying that I am 100 percent sure that there are not one, or two, or three cases of abuse of power, but generally corruption has gone. [passage omitted]

What Hungary has achieved in privatization is extraordinary, in a positive sense. Let me mention two things. We have always taken great care about the following points: One of them is that privatization should bring working capital into the country, both in the energy sector and in any other industry, which makes development possible and also leads to job creation to compensate for possible job losses. [passage omitted]

The other point is that any government should have a decisive say in the privatized companies of the energy sector, electricity generation, and so on. I think that privatization, which has practically been completed, is perhaps one of the success stories of this government.

[Bethlen] It has been said—perhaps you have also said it personally—that cases of privatization fraud will be investigated and the results will be made public. [passage omitted] I am not aware of any cases that have been made public.

[Horn] They have been made public and we have also reported on these investigations in parliament. However, I have to tell you that the largest problem the investigating committee had to face was the fact that masses of documents had disappeared sometime before the elections. This has also been reported. There are also several cases that have been passed to the authorities. I cannot tell you anything about the progress of these specific investigations at the moment. [passage omitted]

[Bethlen] There is a question I am very hesitant to raise. [passage omitted] This is the matter of the construction of your house, which is now widely known.

[Horn] Anybody could have known about it even earlier, because I had already spoken about it to the press.

[Bethlen] One of the papers, implicitly, has accused you of getting this house cheaply. [passage omitted] Will you publish the price the two apartments you sold to build this house?

[Horn] Look, what I can tell you is that in 1994, when I moved into the government residency, the two apartments owned by us became vacant. We had been thinking about what to do for months. The family had long wanted to have a house with a garden. Then we decided to have a house built. We asked the company that bought the house [as heard] to build the house. It did not ask for less money for the construction than is usual in the district of Obuda these days. We spent the price of the two apartments and most of the family's savings on the house. There is no particular luxury in this house. I think that a prime minister, or anybody else, has the right to do this, on the one hand. On the other hand, I am prepared to give an account of this, although I, as any other citizen, also have personal rights. [passage omitted]

[Bethlen] You said in an interview to four papers and MTI on 9 July that the government does not have its own paper, and this is very obvious. What does this mean?

[Horn] It is widely known that the previous government had financed a paper, which now considers itself an op-

position paper. I think we can say that every paper is an opposition paper today. None of them are government party papers, and this is how it should be. If necessary, they criticize the government very strongly, but I have no objection to this. I cannot order any of my colleagues to finance one of the papers. Look at the example of radio and television. You cannot tell me a case in which we intervened in television or radio programming policy.

Let me add one more thing. I am not even concerned about the question of your, or any of your colleagues', party membership or party affiliation—if they belong to a party at all—or their ideology or ideas, or whether they are religious or not. This is your private matter. This is not the business of the executive power, the government. We have only one task: to guarantee fully freedom of the press, freedom of religion and opinion and human rights. [passage omitted]

I am very pleased about the fact that since the summer of 1994 discrimination has ceased to exist. Nobody has to rewrite his or her biography. I am not bothered about the question of who is a Hungarian, or more Hungarian than the other. Everybody who considers himself or herself to be Hungarian is Hungarian. Our job is to do everything possible to ensure their prosperity.

[Bethlen] How should we interpret your comment that the lack of a government paper is obvious?

[Horn] It is obvious, because if we want something to be published we have to pay for it in the same way as a company would have to. This applies both to parliament and the government. I have no objection to commentaries. However, I would like that when the press assesses the government's work, government members should also be able to do this—they should have an opportunity to reply. It also happens very often that facts and figures are changed; a fact that surprises us. This is not a good practice. Perhaps Hungarians are cursed always to be sad, talk about the end of the world, wail, and moan. I have to say that this country has not only a future but a present as well. [passage omitted] The papers are almost shocking their readers with dramatic news and other reports. I am not saying that these reports should be concealed, but there are also good things happening in this country and in this Central and Eastern European region.

[Bethlen] Interestingly, the opposition sees this exactly the other way around. According to them, the press is generally pro-government. [passage omitted]

[Horn] I am not interested in the way they see it. There is only one thing I am concerned about in connection with the opposition: whether we can achieve cooperation

with the opposition during the next two years, until the end of our term in office. [passage omitted] What is happening in parliament is very often a waste of energy and time, a series of unnecessary debates, and disputes leading to nowhere. [passage omitted]

[Bethlen] How do you assess the costs and benefits of the present government coalition?

[Horn] Its benefits have certainly been great. We have managed to reach compromise and agreement on a number of issues. Votes by deputies of the two coalition parties have secured the approval of very important laws that require two-thirds majority in parliament. We have also learned a lot from each other. At the same time, very tough disputes have accompanied this relationship throughout this period. [passage omitted] Let me be honest, I cannot guarantee that there will be no disputes within the next two weeks either. [passage omitted] There is nothing extraordinary in this dispute. [passage omitted] However, debates with our coalition partner can also be criticized for not always focusing on finding solution to very important problems.

[Bethlen] [passage omitted] You have raised the idea of approving a kind of code of conduct. What is this idea about?

[Horn] It was raised a year ago and party delegations have already discussed it and prepared a draft. I think that these matters will have to be considered again. The practice whereby one or the other coalition partner keeps strongly criticizing the government cannot be maintained. If they have a problem, we should sit down for talks. [passage omitted] Both partners should keep their agreement on parliamentary decisions too. [passage omitted]

[Bethlen] You said in your interview on 9 July that you certainly wanted to maintain this coalition until 1998. What are your plans for after 1998?

[Horn] We will see at that time. We have not concluded this coalition agreement to last for ever. Obviously, the 1998 elections will decide which party will be elected to parliament and with what kind of results and share of seats.

[Bethlen] In an interview before the elections, you named two parties with which you would not form a coalition: The Hungarian Justice and Life Party [MIEP] and the Hungarian Democratic Forum [MDF]. Do you have such a list now?

[Horn] Obviously, we would not form a coalition with the MIEP, and I could mention other extremist groups as well.

[Bethlen] Let us talk about the parliamentary parties.

[Horn] Look, I have told our foreign partners too, that I am very glad that there are no extremist parties in the Hungarian parliament. I believe this, even if the tone of disputes is rather extreme sometimes.

[Bethlen] Does this mean that you would form a coalition with any of the present parliamentary parties?

[Horn] To be more precise, I would not rule out the possibility of coalition with any of them. A politician, a political party, cannot rule out the possibility of coalition with one or another party two years before the elections. At the time I ruled out the possibility of coalition with the MDF because it was mainly the MDF that was responsible for everything that had happened over the previous four years. We wanted to implement an alternative to this policy and we still want to do that. [passage omitted]

B-H: Izetbegovic, Holbrooke Comment on Talks*LD1607214796 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 16 Jul 96*

[Statements by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, and U.S. mediator Richard Holbrooke, in Sarajevo on 16 July—recorded; Holbrooke speaks in English with superimposed translation into Serbo-Croatian]

[FBIS Translated Text] [Izetbegovic] We have completed the talks with our old friend and acquaintance Richard Holbrooke. Whenever he arrives, this usually signals the existence of some problems at the moment, and that these problems will be tackled well in the future. We hope that this will be the case. I would like to use this opportunity to thank President Clinton and Secretary Christopher for sending Holbrooke here. This is a sign of his resolve to implement the Dayton accord.

In the talks that we have just finished, we thoroughly analyzed the implementation of the Dayton accord. We conveyed our assessment that the Dayton accord was a complete success from the military point of view, but almost a complete failure from the political point of view. So soldiers deserve praise, but politicians do not. We established that civilian aspects are not being implemented—either not at all or not in their entirety.

We reiterated our conclusions that there is no freedom of movement, or that this is completely insufficient, that there is no freedom of media, freedom of political organization in most parts of Bosnia-Herzegovina, and most importantly, that war criminals are still present on the political scene. Precisely, this was the key topic of today's talks. We demanded that Karadzic be removed from public functions, including from the post of the president of the Serbian Democratic Party. I told Mr. Holbrooke of our belief that a boycott of the elections could take place here if the Serbian Democratic Party were to run under Karadzic's leadership. Within the context of analyzing the Dayton accord, I also concluded that Herzeg-Bosnia still has not been dissolved, as envisaged by the accord. Mr. Holbrooke raised the issue of the freedom of the media. I informed him that the freedom of media on the territory controlled by the legal authorities exists. On this territory operate 10 television stations, 40 radio stations, mostly independent, while over 100 papers are being published. All political parties work freely. The public television network of Bosnia-Herzegovina has just drafted a program of equal representation of all political parties in the electoral campaign. This was more or less the subject of our talks.

[Holbrooke] After several months, I am here again today. I must say right at the start that the problems that

we will discuss are small. The situation is a lot better. You who have remained here know this best because, all over your country, one can sense the feeling of revival, revitalization, and reconstruction. Some people are trying to reach across the entity separation lines and establish contacts. However, it is also true what President Izetbegovic says, namely, that a small group of people continues to obstruct the realization of the Dayton accord. This problem is one of the reasons why I am here.

Tomorrow, I will travel to Belgrade to hold talks with President Milosevic, and tomorrow evening with President Tudjman. I prefer not to talk about details of these confidential talks, however, I can tell you that I will insist on the full observation of the accord. The leaders of the Serb Republic and Pale will have to agree to it.

B-H: Commentary: Holbrooke Visit Suggests Peace in 'Deep Crisis'*AU1707115296 Sarajevo DNEVNI AVAZ in Serbo-Croatian 16 Jul 96 p 3*

[Unattributed commentary: "Holbrooke, Once Again"]

[FBIS Translated Text] The peace process must be in a deep crisis since the Americans have decided to send Richard Holbrooke on a new mission. At first glance the reason for his visit is the public presence of indicted war criminals that head the Serb Republic or deal in the black market in "Herzeg-Bosnia," as well as in the evident divisions among the representatives and institutions of the international community present in Bosnia-Herzegovina. Behind the scenes the talks concern a whole series of issues, offers are made and concessions demanded. "Arm-twisting" is not uncommon.

At the time of popular Dick's first mission, war was raging throughout Bosnia-Herzegovina and it had to be stopped. Now war criminals are raging throughout our country and the international officials cannot agree on how to stop them and when. Now Holbrooke, an experienced and persistent negotiator, is facing local politicians and international representatives and no one can say who he will find harder to deal with, since too many statements and moves have been made to find an easy solution.

On his mission, Holbrooke will be meeting representatives of the authorities in Belgrade, Zagreb, and Sarajevo and will be talking about Bosnia-Herzegovina. The elections, the removal of war criminals, the strengthening of the Federation, and the Brcko arbitration will be some of the topics discussed. According to the Dayton

agreement, everyone has "to clean up his own backyard." Since Milosevic obviously does not want to—and the threat of sanctions is not enough (it is doubtful whether that stick will be applied, anyway)—the pressure exerted by an experienced and tough negotiator is needed more than ever. It is obvious that, at least as far as the war criminals are concerned, the problem will not be solved militarily.

Although it is not essential, the issue of war crimes is now the top priority problem in the world's perception of Bosnia. What is more important—the secessionist attitude of Serb, and even Croatian, parties toward Bosnia-Herzegovina—has been pushed aside, but this is this issue that will decide the fate of the country.

The Balkan visit by the U.S. envoy can only result in compromise yet again. The victim will again have to do a deal with the butcher and give in somewhere. Some diplomatic sources, despite wishing for a "Balkan way" of removing Karadzic, are predicting that he will remain throughout the election process and may be removed from political life only afterward. The world is facing a choice between two evils: Either the elections will be held at any cost or Karadzic will be removed, which does not ensure a stable situation in one part of Bosnia-Herzegovina and places a question mark over the election process.

Richard Holbrooke's mission has been carefully prepared and timed. Someone must already be dreading its results.

B-H: Zubak, Izetbegovic Sign MPRI Contract on 'Equip and Train'

AU1607160096 Paris AFP in English
1549 GMT 16 Jul 96

[By Adrian Brown]

[FBIS Transcribed Excerpt] Sarajevo, July 16 (AFP)—The U.S.-sponsored \$400 million programme to arm and train the combined forces of Bosnia's Moslem and Croat armies got under way Tuesday at a special signing ceremony in Sarajevo.

In front of top brass from Bosnia's Moslem and Croat armies, President Alija Izetbegovic and the president of the Moslem-Croat federation, Kresimir Zubak, signed a \$50 million contract with senior officials from MPRI [Military Professional Resources Inc.], the U.S. firm that will run the programme.

The so-called "equip and train" programme is an American idea to build up the combined forces of the Moslems and Croats as a military counterweight to the better armed Bosnian Serbs. [passage omitted]

Both Zubak and Izetbegovic warmly welcomed Tuesday's contract and pledged to make it work. Their remarks however hid the tough negotiations that have gone on behind the scenes to reach this point.

Bosnia's Moslems and Croats fought bitterly in 1993 and only became allies against the Serbs under intense U.S. pressure. To allow Tuesday's initiative to get off the ground the Moslem and Croat leaderships had to agree to merge their two forces. [passage omitted]

B-H: Delic Explains Objectives of Train, Equip Program

AU1707074596 Hanau NOVA BOSNA
in Serbo-Croatian 15 Jul 96 p 3

[ONASA report: "No Weapons Have Arrived in Bosnia-Herzegovina Since the War Ended"]

[FBIS Translated Text] Army General Rasim Delic, chief of the General Staff of the Bosnia-Herzegovina Army, has said that the newly passed defense law opens the way for a series of other laws to strengthen the armed forces of the Federation of Bosnia-Herzegovina.

"Since the end of the war and the signing of the peace agreement, not a single bullet has been delivered to Bosnia-Herzegovina," Delic said, stressing that the training and equipping of the army has been blown out of proportion as the Train and Equip program will not end this year with the departure of the Implementation Force.

According to Gen. Delic, the task of the company that accepted this program is to put officers and soldiers who are already trained through a comprehensive training course in state-of-the-art testing ranges and computer systems.

Asked whether the reduction in the size of the Bosnia-Herzegovina Army will affect the country's defense capability, Gen. Delic said that "according to the peace agreement, 220,000 troops could have remained in the Bosnia-Herzegovina Army, but you would need a much more prosperous country for an army of that size."

B-H: Report Claims 'Mujahidin' Training in Konjic Area

AU1707103596 Split SLOBODNA DALMACIJA
in Serbo-Croatian 15 Jul 96 p 27

[Report by Zvonko Dragic: "Training Camp in the Village of Rasvar"]

[FBIS Translated Text] Top representatives of the Muslim government in Sarajevo [Bosnia-Herzegovina Government] have been trying lately, in statements made

both at home and abroad, to convince everybody that all the Islamic fighters (mujahidin) have left the regions controlled by the Army of Bosnia-Herzegovina. Foreign citizens still present in Bosnia-Herzegovina, especially Iranians, are being explained away as being engaged in humanitarian activities or having been granted Bosnian citizenship for distinguished service in the tragedy of the Bosnian Croats during the Muslim aggression of 1993 and 1994. Another justification for turning the mujahidin into (and keeping them as) regular citizens, apart from their marriages to Bosnian Muslim women, is that they cannot return to their original Islamic countries because of the criminal and punishable offenses that they committed there (murders and robberies), as if the crimes that they committed against Croats were something normal. However, the Muslims do treat these as normal and Croats should be aware of this. Despite the efforts of Muslim representatives to convince the world that all the mujahidin have left Bosnia-Herzegovina, every day new evidence comes to light to show a very different situation.

According to witnesses' reports from Klis near Konjic, the mujahidin have a training center in the Croatian village of Rasvar, at the foot of Mt. Bitovnje. The shots that they fire during their training can be heard coming from that direction, as well as their characteristic cries in praise of Allah. The village has never had electricity, but they have power units and electric lights can be seen from afar. Moreover, these mujahidin took an active part in recent events in Dubice, Parsoveci, and Bokseveci, helping the Muslim military and civilian authorities in Konjic celebrate the third anniversary of the "liberation" of Klis. That same day holds sad memories for those Croats who had to flee Klis (after 112 civilians and soldiers had been killed and mutilated, their homes and churches plundered and burned down) and a number of Croatian civilians lost their lives or went missing on their Way of the Cross across Mt. Bokseveci. But that does not seem to bother the Croats' Federation partners, who are demonstrating their strength in this election time. This is creating feelings of fear and insecurity among the Croats who survived and makes those who are planning to return postpone that step for a time when Muslim silvertongued promises (which Croats do not trust any more) turn to deeds.

That time will not come as long as there is a single mujahidin, with or without uniform, in the mujahidin camp in Rasvar or anywhere else in Bosnia-Herzegovina. There can be no justification for their presence in those regions, which have seen too much innocent Croatian blood spilt to give the mujahidin a chance to repeat their crimes.

B-H: Continued Presence of Mujahidin in B-H Army Viewed

AU1707071196 Split SLOBODNA DALMACIJA in Serbo-Croatian 15 Jul 96 p 27

[Article by Zvonimir Culic: "Mujahidin Move Freely Through Central Bosnia, As If They Were in Iran"]

[FBIS Translated Text] Certain regulations of the military part of the Dayton agreement have been violated, as the Croats of central Bosnia have claimed all along. THE WASHINGTON POST reported—and all Bosnian Croat media and certain Bosnian Muslim media published the information—that Islamic fighters are still located in the wider region of central Bosnia, especially in the vicinity of Travnik, Zenica, Kakanj, and Zavidovici, and that they might be a threat to U.S. forces in Bosnia-Herzegovina.

It is interesting that British and Turkish IFOR [Implementation Force] troops have warned that mujahidin formations remain in Travnik and Zenica Municipalities and have even given the precise locations of their bases (in Bandol, Maljine, Orasac, Mehuric in Travnik Municipality, and Podbriježje in Zenica Municipality). They have even reported incidents provoked by mujahidin (in Guca Gora, Travnik, Han Bila, Podbriježje...) However, IFOR did not pay too much attention to that. Even Major General Michael Jackson, until recently commander of the IFOR southwest division, reacted quite furiously when the author of these lines warned him about the presence of Islamic extremists in the formations of the Army of Bosnia-Herzegovina and asked what IFOR would do about the implementation of that part of peace agreement. Maj. Gen. Jackson said that foreign citizens were still present in all three armies in Bosnia-Herzegovina and that foreign citizens in the Bosnia-Herzegovina Army were not the only problem. The reaction of Brigadier Gen. Sakib Mahmuljin, commander of the 3d Corps of the Bosnia-Herzegovina Army, to a similar question was even more furious, even threatening.

Is it strange, then, that mujahidin are moving freely through central Bosnia, the region under the control of the Bosnia-Herzegovina Army and British IFOR troops, as if they were in Iran or Afghanistan? They have Bosnian passports, certificates of Bosnian citizenship, diplomatic passports, or documents that declare them officials of numerous Islamic humanitarian organizations. Wolves have put on sheep's clothing.

The team that exhumed mass graves in the village of Maljine, near Travnik, witnessed such events. The mass grave contains bodies of 36 Croats from that village, murdered on 3 June 1993 by extremist members

of the Bosnia-Herzegovina Army and members of the notorious El Mujahid formation, a certain number of whom are still present in the region. The exhumation team took the Vitez-Travnik main road from Dolac to Maljine (10 km to the east) and met a number of mujahidin in cars without license plates. They passed checkpoints of the Muslim and international police unhindered, showing no fear, and took the narrow road to Zenica or Travnik, where they obviously feel at home. They were also seen in front of their (formerly Croat) houses, enjoying the results of their work. Aside from the contribution they made in the Muslim effort to rid themselves of Croats in those Croat regions, they are also contributing to the Muslim birth rate with their multiple marriages and children, the number of which is already above average.

Jean Daniel Bierler, deputy high commissioner for refugees and humanitarian issues, and forensic pathologist expert Robert Kirschner could also see them in the front yards of those houses. The road between Travnik and Zenica, over Guca Gora and Ovnak, has recently been called the Green Transversal because the remaining mujahidin use it without fear of capture.

During the exhumation, a Croat refugee from Maljine bitterly commented on the encounters with mujahidin: "Where is this Federation they're talking about, and how can we consider returning to our homes? For heaven's sake, we have a cordon of Muslim police and two cordons of IFOR and international police protecting us while we dig our dead out of mass graves. From whom are they protecting us?"

It is yet to be seen whether the U.S. concern for their soldiers and the arrival of John Deutch will, at least indirectly, give the Croats from that region a reason for optimism in their plans to return.

B-H: Iranian Business Delegation Discusses Reconstruction

AU1607152196 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 16 Jul 96

[FBIS Translated Text] A business delegation of the Islamic Republic of Iran, which is taking part in the Iranian business fair in Sarajevo, today met with representatives of the Ministry of Energy, Mining, and Industry, and the minister in charge of this department, Enver Kreso. The meeting was also attended by Federation Prime Minister Izudin Kapetanovic, who spoke about the role of Iran and its assistance to Bosnia-Herzegovina in the course of the four-year aggression and in the forthcoming reconstruction. Minister Kreso emphasized that the reconstruction of the power-generating installations and the construction industry is the priority task,

which will facilitate the earliest possible repair of homes and the return of refugees.

B-H: UN Reports 'Preparations for Combat' in Bosniak Village

*AU1607195296 Paris AFP in English
1946 GMT 16 Jul 96*

[FBIS Transcribed Text] Sarajevo, July 16 (AFP)—Bosnian Muslims have fortified a village in a Serb area of eastern Bosnia and drafted in extra manpower in an apparent preparation for armed conflict, a UN official said Tuesday.

The official said "possible covert fortifications and preparations for combat" had been made in Dugi Dio, a Muslim village in Serb-held Bosnia.

"Vegetation has been cut away to give a clear line of site, wrecked cars have been moved into strategic positions as barricades or firing points and buildings bricked except for small holes," Alexander Ivanko, spokesman for the UN police force (IPTF) said.

In addition, Ivanko said "roughly twice" the normal number of military age men—some 250 in all—had been observed by IPTF officers in the village. They refused to show identity cards when asked by UN police who are maintaining a presence there.

The village was apparently abandoned during the war. However, with the end of the war, Muslims returned to their homes even though the hamlet fell under Serb control in line with Bosnia's peace accord.

Calling the development "extremely worrying," Ivanko said the Serb police had refrained from going into the village but that they "are concerned at the rising number of military age men in the village."

Dugi Dio experienced some tension in April when several houses were blown up. The incident remains unexplained but Ivanko said tension in the village "continues."

B-H: Croatian Media Waging 'Fierce Anti-Muslim Campaign'

*LD1507130496 Belgrade TANJUG in English
1125 GMT 15 Jul 96*

["Pool" item]

[FBIS Transcribed Text] Sarajevo, July 15 (TANJUG)—Radio Sarajevo accused on Monday state media in neighbouring Croatia of waging a fierce anti-Muslim campaign ahead of the September elections in Bosnia-Herzegovina.

The latest conflict in the growingly weak Croat-Muslim alliance, created during war against Bosnian Serbs, broke out following a broadcast of the Croatian radio on a discovery of five new mass graves in the area of the towns of Bugojno and Travnik, central Bosnia.

The Croatian radio reported on Sunday that Bosnian Croats in the mass graves had been put to death by Bosnian Muslims during Croat-Muslim fighting over territories in central Bosnia in 1993.

The Sarajevo (Muslim) radio reacted on Monday by saying that the broadcast was obviously part of an election campaign aimed at undermining the Muslim-Croat Federation which, with the other entity of the Republika Srpska, forms the future Bosnian union.

Radio Sarajevo's correspondent from Zagreb reported that not one body had been dug out while Croatian radio said that local Muslim authorities were preventing an exhumation.

Croatian media are giving recommendations to Bosnian Croats in the diaspora how to vote in upcoming elections, scheduled for mid-September, so as to prevent Muslims from outvoting Croats.

Western envoys are investing great efforts to preserve and consolidate the Muslim-Croat Federation established in 1994 under strong U.S. pressure. Strong animosity between the federal partners has yet to be overcome.

Bosnian Croats have overtly shown their wish to weaken the federation in order to gradually unite territories in which Croats constitute a majority with their 'mother country,' the Republic of Croatia, which is fully backing them in their efforts.

B-H: EU's Casado Leaves Mostar, Optimistic About Future

BR1607143996 Madrid ABC in Spanish 16 Jul 96 p 30

[Report by Alberto Sotillo: "Casado Leaves Mostar Believing the Croats Cannot Challenge Election Results"]

[FBIS Translated Text] Brussels—The EU administrator for Mostar, the Spaniard Ricardo Perez Casado, yesterday resigned his post after saying that he was very optimistic about the chances of the Muslims and Croats reaching an agreement on a distribution of powers. Casado is leaving because he believes it "legally impossible" for the Croats to challenge the result of the elections and therefore the political mediation of the EU will no longer be necessary.

The Croatian nationalists do not like the result of the elections and are threatening not to acknowledge the

results, but Perez Casado considers that his mission has ended because "it is not a politician that is needed" but a technocrat who will just see to it that affairs are correctly managed and administered. He admitted that peace is fragile and that therefore the presence of the Implementation Force [IFOR] is still necessary, but not his own.

The Fifteen [EU members] did not see things in such clear terms and insisted that Perez Casado's presence was required in view of his experience. Up to the last minute they refused to find a possible successor but it was in vain since Casado's resignation was final and the Fifteen had to accept as his successor the Briton Martin Garrot, a lieutenant general currently on leave of absence and an expert in the region, chief of Casado's staff, and also deputy to the former EU administrator Hans Koschnik who left the city after having been threatened by a Croatian lynch mob.

Despite alarming reports coming in from the area, the former Socialist mayor of Valencia ruled out the possibility of any conflict occurring as a result of the election results and the discontent that these had caused in Croatian nationalist circles. After stressing that it is legally impossible for the Croats to challenge the election results, Casado described a civilized postelection scene in which the parties were already holding talks with a view to forming coalitions and in which all commitments could be met, including the election of a Muslim mayor without provoking the ire of the Croatian nationalists.

The Spaniard considers his mission complete and is pleased to have received the congratulations of the Fifteen for the smooth running of affairs. He stated that the sole aim of his mission was to oversee the holding of elections. Now that they have been held he can leave satisfied at having done his duty and with the moral tranquillity that those involved cannot take up arms again "on legal grounds."

Support From Abel Matutes

Foreign Minister Abel Matutes also supported Perez Casado and the arguments he gave to justify his resignation. He considered "little remains to be done" in Mostar and, as a result, an EU political administrator is no longer needed and can already be replaced by a "special envoy" who would be able alone to take charge of the technical, administrative, and management work.

Perez Casado's mandate expires on 22 July and he is not prepared to stay on for one day longer. Political responsibility for the Mostar zone will not fall to the Briton who succeeds him but to EU High Representative in Bosnia Carl Bildt.

Casado explained that he did not consider his presence necessary to hand over power to and install the new administrators in the city. He believes that all of this work can be done by a technocrat without the need for his help.

B-H: SDA Approves, HDZ Disapproves of New Mostar Administrator

AU1607131496 Paris AFP in English
1250 GMT 16 Jul 96

[FBIS Transcribed Text] Mostar, Bosnia-Herzegovina, July 16 (AFP)—Bosnian Moslems Tuesday [16 July] welcomed the appointment of Britain's Sir Martin Garrod as the new EU administrator of this divided city but Bosnian Croats criticised the choice.

Garrod, 60, a former commando, is due to take over from the current administrator, Spain's Ricardo Perez Casado, on July 23. As the current chief of staff of the EU administration of this war-ravaged southern Bosnian city, he has a long experience in Mostar.

Hamdija Jahic, president of the mainly-Moslem Party of Democratic Action (SDA), said that Garrod was one of the EU's most experienced people.

He was "a man of authority" who had the additional advantage of speaking the local language, Jahic told AFP.

Mile Puljic, the president of the HDZ [Croatian Democratic Union], the main Croat party, expressed fears that Garrod, a career soldier, might be tempted to resort to force.

"The problem with Garrod is that he is a soldier by training and he could threaten the use of force or intervention from IFOR (the NATO-led Implementation Force)," Puljic said.

"It comes at a time when irregularities during the elections have put further distance between the two communities," he told AFP.

Garrod on Friday finally announced the long delayed results of last month's municipal election after the city electoral commission refused to do so.

The results showed that an SDA-led coalition won most seats, infuriating the Croats who threatened to boycott the formation of the newly-elected city council over alleged irregularities in the voting of Mostar refugees abroad.

Puljic repeated that Croat participation in the formation of the city council was "out of the question" unless the constitutional court of the Moslem-Croat Federation in Bosnia addressed the issue.

He said that Croats had had "no contact with the Moslems since the day of the elections."

The elections were intended by the EU to help reunite Mostar which has been divided between Croats and Moslems since they fought for 11 months in 1993 and 1994.

The city has been administered by the EU since July 1994.

On Monday, EU foreign ministers in Brussels extended the EU mandate in Mostar until January 1997.

B-H: West Mostar Mayor Refuses To Accept EU Election Decree

LD1207145096 Zagreb Radio Croatia Network
in Serbo-Croatian 1300 GMT 12 Jul 96

[FBIS Translated Excerpt] After the news conference at the EU administration in Mostar, our reporter Zeljko Rosko asked Mijo Brajkovic, the mayor of the western part of Mostar, and Mijo Puljic, the president of the city committee of the Croatian Democratic Union (HDZ), for their comment on the decree [on the election results]. They said of Casado's decree:

[Begin Brajkovic recording] As far as I am concerned, this is unofficial, an unofficial decree, because we have not received it. It would be normal for the municipal council or the party that was ahead in the elections to receive it, but they have not. As for the institutions themselves, I cannot respect them because we sent a complaint to the constitutional court of the federation that drafted the laws, which were endorsed by the European Union and according to which they operate. I think, therefore, that Mr. Casado, if he has issued this decree, should have suspended the article of that law that says that he cannot act in this way. He accepted the law, agreed to work according to the law on elections, the federal constitution, but at the same time he ignores it and uses only what is in his interests and in the interests of the EU. I think this is a nonsense.

I have said all along that I will not participate—I am only one of 16 [city council members], but allow me to have my morals, my position as an individual—I will not participate in something that is against the law. [passage omitted]

[Unidentified correspondent] Mr. Brajkovic, what can be expected of the EU administration for Mostar when its mandate expires at the end of July?

[Brajkovic] The EU mandate expires on 23 July. I think that is a kind of haste, a struggle to create a kind of multi-multi [as heard] city, but even a small child can see that the parties have voted for how they want to

live. I said, when Mr. Koschnick also created the central zone, that he had definitely divided the town. I think that the people have now been given the opportunity to say—everyone who cast their vote for the HDZ have said that they want to live in this way in this town. However, this is a case of haste—the desire to constitute a government in the city of Mostar with which the EU would exclusively deal, would in a way neglect one side, an entire people, which has clearly voted for what it wants, and I don't know whether this can be done by 23 July. If the EU extends its mandate on this basis, we are not prepared to accept it.

We are prepared to accept a normal way of working, a civilized way of working, the building of the city of Mostar, but only if we are taken into consideration. I have openly told everyone, quite clearly, that these 35,000 Croats who voted here cannot be overlooked. They have to be taken into consideration, whether people like it or not. That is why I don't think this rush to conclude all this before 23 July will succeed. [passage omitted] [end recording]

B-H: Bildt Remarks on Elections, Kosovo Issue

*AU1107170396 Belgrade NASA BORBA
in Serbo-Croatian 8 Jul 96 pp 1-2*

[Interview with Carl Bildt, high representative of the international community for Bosnia, by Branislav Milosevic; place and date not given]

[FBIS Translated Text] The Office of the High Representative (OHR) in Sarajevo is a place where many transactions in Bosnia-Herzegovina can be completed. In a certain sense, this office is the center for implementation of the civilian part of the peace agreement. Here activities are coordinated among IFOR [Implementation Force], OSCE, UNHCR, and the local authorities of those entities. Agreements made in this office become policy in a certain part of Bosnia-Herzegovina.

Carl Bildt is one of a series of Swedish politicians who, in the period after World War II, have earned a name and reputation through their activities on the world stage. Western reporters compare his activities with those of Count Bernadotte, who saved the lives of many concentration camp prisoners in 1941, or with UN Secretary General Dag Hammarskjöld, who even sacrificed his life as a mediator in the Congo, or Olof Palme, who for years had been a mediator in the conflict between Iraq and Iran. In Sweden, Bildt was head of the coalition government which, despite considerable political differences among the coalition partners, he managed to keep in office for three full years (1991-94). Some of his political friends in Sweden believe his continuous absence due to his mission in Bosnia

could weaken his party's position in Sweden, while others hope that the results Bildt has achieved and will achieve in Bosnia will significantly strengthen his personal political rating in Sweden.

We met with Carl Bildt one day after an important event in the more recent political history of Bosnia-Herzegovina—the announcement of lists of candidates for the September elections—and one day before his departure for Sofia to attend the ministerial conference of the Balkan countries. One characteristic of Bildt's actions in Bosnia-Herzegovina is the combination of a local and regional approach. Time will tell whether such an approach will help Bosnia-Herzegovina recover more rapidly. Here, all the representatives of the international community are doing their utmost to achieve that. They talk about what has happened, but they do not complain about the consequences. Here they work.

We began our interview with Carl Bildt by asking him to comment on the recently announced lists of candidates.

[Bildt] It seems Karadzic has understood that he has to leave the political scene. The SDS [Serbian Democratic Party] has designated other candidates. I think there will be an interesting contest in the Serb Republic between the SDS and the bloc of parties headed by Mr. Radic in Banja Luka. It will certainly be a very interesting political battle.

[Milosevic] Your statement that the function of party chairman is not a public function has created much misunderstanding. At yesterday's press conference, your press spokesman, Mr. Murphy, found himself in a delicate situation when he had to explain to reporters what you really meant.

[Bildt] Political parties are not public institutions. Public institutions are institutions of government. That is the prevailing view everywhere in the Western world. In that sense, the legal situation is completely clear.

[Milosevic] There are political people here who feel that the SDS should be disqualified from participating in the elections. Representatives of the united parties of Bosnia have filed such a request to the corresponding OSCE subcommittee. If the request is approved, will it be possible to hold elections?

[Bildt] Of course. The decision of the legal commission will have to be respected. That would no longer be a political but a legal decision.

[Milosevic] So it is possible to envision the following situation: The main Serb party might not participate in the elections, or, if the SDS is allowed to participate, the main Muslim party, the SDA [Party of Democratic Action], may withdraw from the elections.

Boycotting the Elections is Risky

[Bildt] Over the last several months there was a lot of talk about some parties boycotting the elections. Any party boycotting the elections would be taking a great risk. The message sent by the elections in Mostar is that people want to vote. People want to have elections. If any parties do not feel like participating in the elections, I think people will vote for other parties. Rumors about boycotting the elections are dangerous for the parties that spread them. People want to participate in the elections and vote.

[Milosevic] So, you are convinced the elections will be held on 14 September?

[Bildt] I am certain they will be held. Experience in the elections in Mostar, which were expected to bring many difficulties, shows they went off far better than anyone imagined. That is heartening.

[Milosevic] We could say that we are now in the second half of the peace process. Can you say this half will be more successful than the first?

[Bildt] That is a good question. The first three months were dominated by military issues. Since the parties were interested in cooperating, the longer we went on, the more we came up against delicate issues. I think the second half will be dominated by political issues, by issues related to the elections. These period will see the establishment of public institutions. It will be very difficult, but it is an extremely important phase. In the military phase, the warring sides were separated; in the political phase, the country must reassemble, integrate. The difficulties and tensions are much greater, but I hope we will succeed.

[Milosevic] Do you think that by the end of this year we will have a new political infrastructure in Bosnia?

[Bildt] Yes, we will have a parliamentary assembly and a ministerial council. We are talking about establishing a central bank. That will take time. I think a constitutional court will also be established. When we set up these public institutions, they have to start functioning. With the creation of these institutions, we must establish their authority in monetary policy and foreign trade. I would like us to have the most liberal trade possible, at least inside the country. At the same time, it is necessary to make a transition from a war economy and a socialist economy to a peacetime competitive market economy. All that has to be achieved in the near future, which will be the direct task of the elected politicians.

[Milosevic] To what extent are you satisfied with the contribution of the so-called key figures in Serbia and

Croatia to the process of implementing the Dayton peace agreement in Bosnia-Herzegovina?

[Bildt] All politicians work in keeping with their interests. It seems to me that the interests of the mentioned political figures coincide with the peace process in Bosnia-Herzegovina.

[Milosevic] Could this contribution have been greater during the first half?

[Bildt] At times yes, at other times no. We had to keep reminding President Tudjman and President Milosevic of their obligations. On the other hand, we do not want a situation in which the processes in Bosnia-Herzegovina depend on the governments in Zagreb and Belgrade. Also, we expect that after the elections, the political situation will develop such that all responsibilities will rest solely on the elected politicians.

The Advantages of Democratization Will Be Evident

[Milosevic] Here among politicians, there are two prevailing theories. According to some, the process of democratization in Bosnia-Herzegovina depends on similar processes in Serbia and Croatia. Others believe that the democratization of Bosnia-Herzegovina does not have to take into account the nonexistence of such processes in Serbia and Croatia, and that it should be independent, that is should rely on its own potential. How would you comment these views?

[Bildt] I think democratization should occur everywhere as soon as possible. The country that develops democracy and a competitive market economy will have immense advantages with respect to international connections and the prosperity of its society. I think that such processes will also have an influence on other countries because they will all realize the advantages of democracy and a market economy.

[Milosevic] Do you think that after the elections in Bosnia the presence of the international community will be reduced to economic and financial help?

[Bildt] There will certainly be a reduction of the mass military presence. Still, I would not count out the presence of some military forces.

[Milosevic] European?

[Bildt] No, NATO forces. But it is still too early to assess how this will look. Of course, trade links will become much more important. This country, Bosnia-Herzegovina, is not poor. This is not the Third World, this is Europe, and it should be able to use its resources. We must try to help shape a corresponding economic policy.

[Milosevic] What do you think about the presence of the media in the preelection period?

[Bildt] That is an extremely important issue. In this part of the world, television plays a particularly important role. We are trying to facilitate the work of as many independent television stations as possible. The press is also important. I am aware of your project to bring NASA BORBA back to Bosnia, and I think it is extremely important. People need high-quality information that they can use according to their own desire.

In that sense, I greatly support your efforts. We are also trying to support a number of independent television stations that exist here, to help them widen their range of activities and create a network of independent television stations.

[Milosevic] In conclusion, what would you say to our readers about the situation in the region? Do you have a message?

[Bildt] I do not think we can view the problems of Bosnia-Herzegovina as isolated. We must carefully monitor the situation in Eastern Slavonia and support normalization between Croatia and Serbia. The situation in Kosovo continues to worry us. I noticed an interesting debate in Yugoslavia about the long-term implications of the Kosovo issue. I think the essence of this debate is the fact that the Kosovo issue is critical for the future of Serbia. It must be addressed without delay and resolved one way or the other. The way this issue is resolved will be of decisive importance for Serbia and the entire region.

I think this issue will appear on the agenda soon, and I think politicians in Serbia are beginning to think so, too. The Kosovo debate itself can have far-reaching consequences for the formulation of the Kosovo problem. The debate, I believe, will also initiate political action.

B-H: Paper Profiles Serb Entity Presidential Candidates

AU1707110196 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 14 Jul 96 p 4

[Report by B. Maric: "Seven Candidates in Race"]

[FBIS Translated Text] The population of the Serb Republic will decide on 14 September who will be the president of their state.

The voters will face six candidates: Biljana Plavsic (Serbian Democratic Party [SDS]), Predrag Radic (Democratic Patriotic Block [DPB]), Zivko Radisic (Alliance for Peace and Progress [SMP]), Slavko Lisica (Serb Pa-

triotic Party [SPAS]), Dragan Djokanovic (Democratic Party of Federalists [DSF]), and Ljilja Peric (Party of Serb Unity [SSJ]).

Abid Djozic, nominated by the Party of Democratic Action [SDA], whose chairman is Alija Izetbegovic, is also running for Serb Republic president. Thus Izetbegovic is again showing that he has not given up his idea of a unitary Bosnia-Herzegovina.

All that is known about Djozic is that "he was born in Srebrenica."

From Professor to General

Biljana Plavsic is Serb Republic vice president and acting president. She was a member of the Bosnia-Herzegovina Presidency before the war. Prior to that she was dean of the School of Science and Mathematics in Sarajevo.

Predrag Radic came to the position of Banja Luka mayor from the Institute for Economics. Until recently he was a member of the SDS in which he had the status of "inner opposition" because he criticized the functioning of the authorities in the Serb Republic.

Because of his statements Radic was investigated by the state commission formed by Serb Republic President Karadzic's decree. The state-run media was barred from carrying any of his statements for nine months.

The Banja Luka mayor leads the parties of the political center in the Serb Republic, which form the DPB.

SMP candidate Zivko Radisic is a graduate of political sciences, employed by the Cajavec holding company. He is the chairman of the Socialist Party of the Serb Republic. He spent 14 months in the Serb Republic Army.

He is entering the election race as a "left-wing" politician, who proved his national belonging and his attitude toward the Serb Republic in a trench. Both his sons have also fought in the war, from the very first to the very last day.

The SPAS has nominated retired general Slavko Lisica for Serb Republic president. The beginning of the war caught him in the Serb Krajina, from where he moved to Banja Luka and the 1st Krajina Corps as a renowned commander.

He led the units that liberated Kupres, Derventa, [Bosanski] Brod, and other places. He gained popularity among the soldiers as a persistent fighter against crime. He describes himself as an antifascist, who went to war with his son against the Croat Ustasha and the Muslim fundamentalists.

Dragan Djokanovic is a pediatrician, and founder of the DSF, which wanted to keep the former Yugoslavia together. He was adviser for humanitarian and information issues in the Serb Republic Presidency.

Dr. Djokanovic was the first veterans' minister in the Serb Republic. He resigned in 1993 since the state leadership ignored his calls even then to end the war through acceptable peace initiatives.

Who Will Win?

Ljilja Peric of the SSJ returned in 1992 from working in Germany for seven years as soon as the war broke out in the former Bosnia-Herzegovina. She owns a private business called "Tina," and has donated 300,000 German marks to the Serb Republic people and army.

She joined the SSJ in 1994, when this party was formed in the Serb Republic. The SSJ is committed to the unification of all Serbs in one state, with one capital city and one president. She believes that politics are too serious to be left to men alone.

Three candidates so far have spoken about their chances in the September elections—Zivko Radisic, Slavko Lisica, and Dragan Djokanovic.

Radisic says that he is convinced the people will vote for "the best," and that "if everything is regular, there could be some changes." According to him, there will be no absolute winner in the election race.

Lisica is more specific: He predicts his own victory. He says that he is "the only man who can lead the people along the right road," and that "as an officer of the Serb army he never lost a single battle," so he is convinced he will not be defeated on the political front either.

Dr. Djokanovic believes that in the September elections "the people will recognize those who want to link the Serb Republic as a state to the FRY," and will vote for them.

[Box, p 4]

Banja Luka Leads

Three presidential candidates—Predrag Radic, Zivko Radisic, and Slavko Lisica—were born in Krajina and live in Banja Luka. Biljana Plavsic has also been living in Banja Luka for two years now.

Dragan Djokanovic lives and works in Zvornik, and Ljilja Peric lives in Bijeljina.

B-H: Commentary on IFOR Attempts To Arrest Serb Officers

AU1607180696 Banja Luka GLAS SRPSKI
in Serbo-Croatian 11 Jul 96 p 2

[Commentary by Jovan Ajvazovic: "IFOR's 'Inspectors'"]

[FBIS Translated Text] What else needs to happen before the Washington-Bonn axis finally realizes that the endless political harassment and display of force against the Bosnian Serbs has long since become insipid and created counterproductive consequences?

So, the Americans (now we understand why they are completely satisfied with the Serb cooperation in fulfilling the military aspect of the Dayton agreement) have hurried to stage some kind of inspection in Crna Rijeka, that is, to have a little training session by arresting General Ratko Mladic.

But they have neither arrested Gen. Mladic, nor carried out the inspection. Now, the German press is saying that the Serbs beat the Americans "on points." The people of the Serb Republic saw through IFOR [Implementation Force] "inspectors" a long time ago and have demonstrated, for example, in Crna Rijeka, to what extent they are prepared and capable of organizing themselves with lightning speed to prevent the "inspectors" from carrying out their task.

Foreign correspondents say that Serb officers had a hard time pacifying the angry men and women near Han-Pijesak, who could no longer stand the U.S. display of force, so they blocked the road and prevented an alleged inspection of Serb army barracks.

Indeed, why the flashy "top-gun" helicopter pilots decided not to carry out their "inspection" is difficult to explain, but it is certain to some extent that they were thwarted by the citizens of Han-Pijesak armed with umbrellas.

All in all, honors were even. The "inspection" did not go through, but not a single American was hurt in the battle against Serb umbrellas. For that reason, Bill Clinton did not have to prepare any additional preelection rhetoric to explain to the American people that their interests in the hills around Han-Pijesak were so important that they had to lose several helicopters and a number of soldiers.

The clanking of weapons began in Lukavica, when three helicopters chased an automobile with Vojvoda [term for military commander] Slavko Aleksic, and their pilot crews and ground support, armed to the teeth, were "beaten up" with women's handbags. While the U.S. troops were regrouping to attack and flexing their biceps under their rolled-up shirt sleeves, 200 Serb civilians

appeared from out of nowhere and snatched army officer Aleksic, showing them that "a battle is not won by weapons alone."

The demonstrators of force did not grasp this, and so, a few days later, near Srinje, they started to disarm Serb generals. The same picture was repeated all over again. Hundreds of civilians came from out of nowhere and protected their commanders.

Then the previously mentioned event occurred in Han-Pijesak, followed by the threats of Robert Frowick that he will disqualify the Serbian Democratic Party (SDS) from taking part in the elections. Then Carl Bildt suddenly realized that he was himself a European, telling the U.S. diplomat that "carrying out political activities is Dr. Karadzic's personal affair." Then suddenly came the message of Grigorij Karasin, Russian Foreign Ministry spokesman, with a clear-cut view that it is necessary to stop creating additional and needless problems regarding the role of Dr. Karadzic and that there are no legal nor political grounds for precluding the SDS from the elections only because Dr. Karadzic heads the party.

Anyone who knows anything about diplomatic language knows the full meaning of the message delivered by Karasin, who also said that "Russia is seriously concerned about Frowick's call to ban the leading Serb party from taking part in the elections and the decision of the Serb Republic president to transfer his authority over to Vice President Biljana Plavsic."

Judging by Karasin's statement, everything else that might issue forth from the United States on this issue will get a big Russian "nyet."

As far as the Serbs are concerned, the whole thing was aptly explained by Gojko Klickovic, prime minister of the Serb Republic, who said that the Serb Republic is full of Karadzics. Therefore, insisting on Radovan Karadzic's dismissal from party functions is pointless, because whoever would lead the Serb Republic or the SDS would be Radovan Karadzic's "alter ego."

However, there is another solution that serious world analysts can already see and anticipate. That is the "self-organizing of the Serbs," who, if the pressure and extortion grow out of proportion, could organize their own elections, even before 14 September, and show the world who really has the people's support.

That could be the Serb "nyet" to blackmailers, and it is something that Robert Frowick and his supervisors should keep in mind, unless they have already decided, with their diplomatic exhibitionism, to bury the Dayton agreement before the U.S. elections in December. [as published]

B-H: Commentary Criticizes Arms Control Accord
AU1107152396 Sarajevo OSLOBODJENJE (Bosnian Serb) in Serbo-Croatian 27 Jun 96 p 7

[Commentary by Dragoljub Maslic: "The Americans Are Old Scoundrels"]

[FBIS Translated Text] In Florence, everyone applauded the Serb Republic! Mama mia, how good that sounded, and it echoed throughout the white, black, and yellow world! And just imagine, those who were applauding were ministers of 45 countries and high representatives from 14 international organizations! Before they began to applaud, everyone waited to see whether our foreign minister, Aleksa Buha, would sign the document entitled "Agreement on Disarmament on the Territory of the Former Yugoslavia." Professor Buha was reticent (about whether he should sign) and, at the same time, concluded that the eminent gathering was "radiating" fear in the spacious hall. Our minister asked whether the text of the "agreement" had been changed or whether it was identical to the one in Oslo a few days ago "when the Muslim side refused to sign it, attempting to bring into question the existence of the Serb Republic as an official state and signatory." Lamberto Dini, presiding over the ministerial conference and presiding over the European Union, under whose "roof" this meeting was held, sighed with relief when he heard the question. He hastened to respond: "The text has not been changed, it is identical!" Again, every ministerial gaze "focused" on Aleksa Buha. They looked on as the distinguished professor placed his signature, in Cyrillic, on the "agreement on disarmament," and then, free from fear, rewarded our minister with their applause!

Oh, mama mia! Oh, sole mio!

Oh, Serb Republic, so you too are signing "agreements on disarmament" as if you were a great power! And so it should be! We only need to hold on a little longer and, one day, we will be signing an "agreement" with the United States on banning the "use of 'intercontinental missiles'" in the liberation war against our neighbors—the Muslims!!! We will accept U.S. "assurances" that there is no need for that, because, in fact, there are no targets for such missiles! Are you going to strike at Cakrcice or Ahatovice with an intercontinental missile? we would be asked by some future "Warren Christopher" from the administration of a new president whose name will not be "Bill Clinton." And some future "William Perry," secretary of state for defense, will "request" that the Serb Republic hand over to the United States the time-tested biological weapon—the descendants of the gypsy moths and cobras that the U.S. troops spread all over the Serb lands while they were fighting, as part of the IFOR [Implementation Force].

against the Serb people! Only, in that swap, we will have to be careful not to allow the greedy Americans to send the "Serb" gypsy moths and "Serb" cobras out on assignments into the eastern countries that they want to incorporate into their "third empire." The Americans are old scoundrels, and that also means they are big murderers! We shall have to impose a strict arms ban against them so that they do not become ornery and commit misdeeds such as those from the "recent past" against the Serbs.

Arms "Menu"

And we will be right. We will remember Florence '96 when the Americans and the timid Europeans told every country of the former Yugoslavia and the groveling Yugoslavia itself exactly what kinds of weapons their armies could have. With the agreement in Florence, the Americans have imposed arms control. Now you cannot produce or buy what you want and how much you want, except for privileged "regional powers" and for the jamahirists [reference to the Bosniaks], because the numbers have been written down in "secret" papers or stored in stupid brains. This, according to U.S. assessments, has all been ordered and done "in honor of the six-month anniversary" of the implementation of the Dayton so-called peace agreement for the former Bosnia-Herzegovina! Thus, some "countries" will have to decrease the number of their tanks, armored vehicles, airplanes, helicopters.... Artillery is under special scrutiny. It is possible to "pass" with guns up to 75-mm and some mortars, but everything over 75-mm must be placed "under control"!

And so Florence will go down in history, until the end of the world, as yet another "cultural" and "democratic" achievement of voracious United States—the arms "menu"! And when you want to "consume" something from that "menu," you can order from the waiter only what you know you have in your "arsenal." "Delicacies" are definitely out. They are reserved for special countries that have carried out all their vassal duties as "prescribed" by the Pentagon and the CIA, mainly crimes against those that are "dangerous," that is, against the Orthodox peoples, and particularly the Serbs.

The United States can do a lot of other things if it feels like it. There is a strange idea going around in my head, but I hesitate, much like Aleksa Buha, to say it publicly. If I do, I am afraid I will regret it. And if I do not do it, I am still afraid I might regret it. You have to understand, dear readers, it is not an easy decision! Wait a minute! This pause "indicates" that I have really pondered a lot and made a historical decision for the Serbs, as well as for the Croats [written "Krvate" instead of "Hrvate" the Serbo-Croatian for "Croats." "Krv" is the Serbo-

Croatian for "blood"] and Muslims! I shall say publicly what is going around in my head, no matter what! Even if OSLOBODJENJE Director Predrag Nikolic stops me from ever writing anything else in this newspaper! That too is the "price of glory"! I know you will think right away that I am promoting my boss. Come here, into the building, and let me whisper something to you—(don't tell anyone, you know how hard the times are, but Predrag Nikolic, my director, has never really paid me very much for all the articles I have written.... And if I had tried to support myself on the money I got from him, I would not have such a big stomach!)

I see you feel relieved, as do I, once we are out of the cramped building!

Let us get back to the United States and my bright idea, which is: If the Americans have forced an arms "menu" on us, then they can also tell us to control and reduce our cutlery! Cutlery can be classified as side arms! That might also prohibit all the warring sides from using knives, sabers, and Serb-cutters. Forks can also be dangerous. They are used by the Muslims and Croats to pluck out Serb eyes. Toothpicks are also very suspicious-looking to the American. They resemble stakes. And you can also use large belt buckles to make lumps on someone's head, preferably the enemy's! So, everyone could be left without their cutlery. They will only leave us with plastic and tin plates, a few pots and pans, and, as far as cutlery is concerned, we have our fingers! Okay, so now you can eat whatever you want! Slurp your soup like a pig and use your fingers to cut up your food. The Serbs and Muslims will manage somehow, but what about the Croats? They can bite their tomatoes but they have to be careful not to stain their ties ["krvate" used instead of Serbo-Croatian word for ties "kravate"]. Tomato juice is the color of blood, and no Croat has ever had a heart attack because of that color.

So, let me conclude: I have exposed all three sides to great risk, particularly the Serb side. When they read in the U.S. Embassy in Belgrade or Sarajevo or Zagreb what I think they can still prohibit us from using—and they do monitor and analyze us carefully—I could become "persona non grata" in the entire Balkan region. Where will I go then? I have no real answer for the time being, but I got an idea "from Florence," and I will manage to elaborate on it somehow.

Karadzic, Step Down

And "from Florence," from Tuscany, from the ministerial meeting, came an plea to our President Radovan Karadzic. That plea makes the Croats and Muslims dizzy, because they cannot comprehend (particularly the

Muslims) why their "remove Radovan Karadzic as of 1 July 1996—or there will be no elections" ultimatum was not accepted at the ministerial meeting in Florence! In truth, the Muslims know that they cannot remove our president, so they are asking their allies to use their "transmission technology."

And what happens then? Well, the Americans—which also means the European Union and the contact group countries, including Russia—"acknowledge" the Muslim ultimatum in a "specific" way: From the word *ukloni* [Serbo-Croatian for "remove"] they take away the first letter "u," which greatly angers the Croats [reference to Ustasha, represented by the letter U] but they retain the other five letters, because the Muslims are in the "majority" in Bosnia. Then something unexpected happens. Instead of the letter "u," they use the Serb letter "s," and they get a new quality, a new word—*skloni*! [Serbo-Croatian for "step down"] Now our Serb eyes are popping out, because, in the presence of the ministers and high representatives of international (American) organizations, there is a completely new formulation and message to Karadzic: "Step down voluntarily"!!! We have to admit that the Americans can speak Serbian! They know the subtleties. The "subtleties" range from "the gallows" to "self-removal," and these are nicely "packed" into a pretty please to the president of the Serb Republic.

I know that President Karadzic must have laughed himself hollow at his incisive obstruction of the worlds' potentates and mobsters. Well, now he has to refer back to Florence, even with the "logistical" help of Biljana, Nikola, and Momo [reference to Biljana Plavsic, Nikola Koljevic, and Momcilo Krajisnik] and carry himself from one office to another. And then again, it is impossible even for Karadzic to carry himself without the people seeing him. And when people see what their president is doing, they might come up to him and take him into their hands, lift him up, and carry him back to his presidential office! The people will simply not allow their president to wear himself out by carrying himself! Even Clinton does not do that, and the American people will remove him in the elections! Yes, Yes! This is the difference between the president of the Serb Republic and the chief executive of the "Black" House in Washington.

Cassese

There are others, in addition to the Croats and Muslims, who would very much like to see the United States remove Karadzic, and not to ask him nicely to "step down" by himself. Among them, the most vociferous was that corrupt chief justice of the so-called Tribunal for War Crimes Committed on the Territory of the For-

mer Yugoslavia, the so-called international (American) so-called court of so-called justice in The Hague. The Italian, Antonio Cassese, has tried very hard to "apprehend" and "put behind bars" our president and our army commander. We have to admit that he had the great and unrestrained support of the Muslims and Croats, but his demands were given the "cold shoulder" among the participants of the ministerial meeting in Florence. Then, at the conference itself, Cassese pulled from his sleeve a cunning proposal to impose selective economic sanctions against the "Bosnian Serbs" and Yugoslavia and to ban their athletes from taking part in the Olympic Games in Atlanta!

Some members of our "Olympic teams" in Florence responded directly to Cassese's "foul play." Gojko Klickovic, the prime minister of the Serb Republic, said: "The tribunal in The Hague is a political institution, which Cassese's statements at this conference confirm. I reject his intrigues!"

Good going, Gojko! That one was impossible to save, it went under the cross-bar and straight into the goal! And now let the "famous" Cassese scramble. And what else can the poor man do, when he was seen meeting with an "important" Muslim at the Hotel Central in The Hague and in a number of other places, most probably to "coordinate" some important things such as briefcases filled with dollars or German marks. To be truthful, I cannot be very precise in determining which "hard currency" it really was, because it was very dark when Cassese opened his briefcase for a moment to see if it had been filled with the "real stuff"! We Serbs can find out about all kind of things! It was Cassese's prerogative to say what he did, even though he was severely criticized by important people, who reminded him that he was not a politician, but a judge! So, the Muslims threw away their money, and Cassese will say "good night" to them soon. An end to walking in the dark!

Regarding Antonio Cassese, for the benefit of our readers in the Serb Republic, which was recognized in Florence, even by the Muslims, we must draw an important conclusion. According to his statement, it appears that Cassese takes everything into consideration. And what is more important, he pays special attention when he sees that something "is not right!" And since he is a judge, he will see all the inequalities in the Serb Republic, and even the facts, and he will begin to take them into consideration too. And he will make statements asking the Muslims to support him wholeheartedly.

But, I noticed that Cassese has his failures! A big one. Here is one example from my home town of Crkvine,

close to Samac. Samac was the birthplace of Alija Izetbegovic. Samac Municipality, as you know, is now 100-percent Serb. And in my village of Crkvina, I can hear the young men singing this "battle song":

"I am walking through my village, and my dick has fallen off, but nobody cares!"

Exasperated by what extent that they do not respect themselves, I tell the young men: "Call Antonio Cassese, he has a recommendation and a solution for everything!"

"Cassese my foot," the young men reply, "not even the international tribunal in The Hague looks after our dicks!"

Croatia: Kantor's Visit, Goal of U.S. Support Viewed

AU1707100696 Rijeka NOVI LIST in Serbo-Croatian 15 Jul 96 p 2

[Commentary by Drazen Vukov Colic: "Tudjman's Sleep Will Be More and More Often Troubled"]

[FBIS Translated Text] If some kind of commercial sponsorship had been at stake, the entire Croatian economy could not have paid for all the words of praise that U.S. Commerce Secretary Mickey Kantor uttered about the Croatian economy. President Franjo Tudjman and Prime Minister Zlatko Matesa have finally found someone important who is willing to publicly flatter the disputed "miracle of the Croatian economy." However, such Hollywood sweet-talking is among the "very specific traditions of U.S. politics and diplomacy," especially in cases when the almighty U.S. dollar must give strong support to an uncertain diplomacy (Washington and the Dayton agreement, the Federation). For the White House itself, it is something that needs to be thoroughly justified before the U.S. public, as this special geostrategic edition of state-supported commerce has often been disputed in the political debate in the United States, even before the tragic death of Kantor's predecessor in Dubrovnik.

Kantor Puts on Brown's Global Shoes

The "brilliant technocrat" Kantor (who has participated in the signing of hundreds of international contracts, including the most delicate ones—with Europe and Japan) was expected to prove by this visit that he is capable of putting on the global shoes of the unfortunate Ron Brown. Brown was a close associate and personal friend of Bill Clinton, but the Republicans had always reproached him for his expensive trips and the money wasted in his excessively large Department (35,000 employees). The Department is incompatible with the ideas of private enterprise, and is competing with the State Department in creating new geostrategic maps of the world. The goal of Kantor's visit was to present Croatia to the U.S. public and businessmen as a country of economic prosperity, where investments and business pay. If he succeeds, the White House will have better arguments to pressure Zagreb into abiding by the documents signed by Tudjman.

Zagreb Will Not Neglect Europe

In general, Kantor can congratulate himself after his merry visit to Zagreb, Sarajevo, Dubrovnik, and Tuzla. Peter Galbraith will have more self-assurance in delivering certain unpleasant diplomatic messages, although he spent too much time staring at the floor when asked

how long the United States would protect Croatia's political and strategic insults to Europe. Pantovcak [elite part of Zagreb where most politicians live] can even celebrate a small victory in Tudjman's ominous reply ("we have had enough of orders without payment") to Clinton's reproach about Herzeg-Bosnia. That is the light in which we should understand the sentence in the presidential communique that says that, regardless of the strategic, military, and diplomatic partnership with the world's biggest superpower, Zagreb will not neglect the economy and politics of Europe, which has always been its natural background. Europe is essential for our future and our survival, and we cannot depend on the United States alone.

Perhaps that is why all those communiqués and statements—at least those for the public—never mentioned the things that businessmen are interested in. Among the super-rich U.S. executives who came to visit Croatia was the first man of Boeing, whose primary concern was to persuade Croatia against purchasing 18 Airbuses and creating closer links with Kohl and Chirac. However, such negotiations were perhaps left for a better, more mature time of commercial and economic relations, when promises will be bigger than the half million dollars that the U.S. Government is investing in the port of Ploce (any Herzegovinian of good standing would be prepared to give Kantor twice that much to talk him out of supporting that "favor" of Zagreb's to Sarajevo). Only the preliminary work was done this time (promotion and investment protection contracts), and trade between the United States and Croatia is undergoing a process very different from the situation in their political relations (that is, it is decreasing, not increasing). The total sum (\$246 million) is quite meager—big companies (probably) invest more in the living standard of their employees.

Economic Visit Determines Geostrategic Future of Croatia

It is all about real money in real pockets, although we could say that in many ways this "economic" visit has really determined Croatia's geostrategic future, from energy production (an undetermined type of thermoelectric power plant that nobody wants) to the negotiated (in Zagreb, Sarajevo, and Washington) network of highways and railroads that directs all of Croatia toward the east and, as skeptics would say, toward the Balkans. Undoubtedly, all these things reinforce both the Washington agreements and the Federation after Dayton, but they also impose certain "exclusively Bosnian" economic and political obligations on the most fervent Bosnian Croats, avoid the martyr town of Zadar, and endanger impoverished Dalmatia. Besides, we have yet to find funds,

support, and energy for the roads and railroads that will reintroduce Primorje, Rijeka, and Istria into the European market as shipping and economic centers and the most accessible European seaside resorts, located at the very crossroads of various civilizational influences.

All these things could make the case of wasted Istrian concessions for "Sarinic's Frenchmen" look like a trivial local scandal, or like a tiny dot on the still white map of Croatia's significance in European transit. It would also make the EU satisfied with this maritime "strategic triangle" in solving the problem of the Bosnian weak sides, as the whole thing fits very well into the disputed European projects of "regional links in the Balkans." Croatia already has one foot in the east, but the other foot remains firmly in place, and we have to capture the attention of our other neighbors (even the Slovenes, who have managed to adapt European requirements to Kopar). Matesa is visiting Poland, and the Hungarians have been invited to Zagreb—all in order to get Croatia into the irresponsibly neglected, but indispensable CEFTA [Central European Free Trade Association], the tariff association of western-oriented Central European countries.

Undoubtedly, Kantor and Washington are trying—in the most appropriate way they can—to support Croatia, and they are not responsible for Zagreb's attitude. Zagreb has kept one hand idly in its pocket (Central Europe and the Mediterranean environment) and used the other to bang on the Balkans a bit too often (Bosnia-Herzegovina). Tudjman's sleep will be more and more often troubled by the future of some of his more pleasant geostrategic dreams.

Croatia: War Crimes Suspect Kordic Reported Living in Zagreb

AU1207191296 Zagreb GLOBUS in Serbo-Croatian
12 Jul 96 pp 2-3, 6

[Report by Ivan Violic: "Dario Kordic, Who Is on the Hague Tribunal's Wanted List, Is Living Peacefully in Zagreb"]

[FBIS Translated Excerpt] At about noon on Monday 8 July, Dario Kordic, accompanied by his two children, came out of 26 Gorjanska Street in the Zagreb district of Tresnjeva, escorting his guest to a car, an Opel Vectra with Grude number plates, parked across the street. The unidentified guest left quickly. Kordic stayed in the street, playing with his son Darko and daughter Marija.

He did not even notice a GLOBUS reporter taking a picture of him. There were no visible security men in his vicinity. During the few hours that the GLOBUS reporter had spent in Gorjanska Street, a military police

patrol passed by the building several times. But this was not necessarily connected in any way with Kordic.

Dario Kordic's presence in Zagreb shows that he can be reached by the Croatian authorities. According to the law on cooperation with the International War Crimes Tribunal, they should arrest and dispatch him to The Hague.

The public knows that Dario Kordic has been accused by the international war crimes tribunal of "expelling Bosnian Muslims from the Lastva River Valley in Central Bosnia for political, nationalist, and religious reasons." He was accused together with Tihomir Blaskic, Mario Cerkez, Ivica Santic, Pero Skopljak, and Zlatko Aleksovski.

Only HV [Croatian Army] and HVO [Croat Defense Council] General Tihomir Blaskic is in The Hague. He went there voluntarily. Zlatko Aleksovski was arrested a few days ago.

There has been no precise and reliable information in Croatia so far on the whereabouts of those accused of war crimes. It appears that the Ministry of Foreign Affairs did not have this information, either. In June the ministry sought information from other ministries on whether "the two persons were on the territory of Croatia, so that it could reply to the same question posed by The Hague Tribunal."

The statement issued by the office of Vanja Moric, spokeswoman of the foreign minister, in response to newspaper articles alleging problems between the Foreign Ministry and the Defense Ministry, states that they are only implementing the state policy and the law on The Hague, according to which, the "Government of the Republic of Croatia will cooperate with the tribunal."

Minister Granic has spoken several times about Croatia's obligations to The Hague Tribunal. At the recent conference in Florence in June, he clearly stated that those accused would be arrested if found on the "territory of the Republic of Croatia."

What the Law Stipulates

So the Ministries of Foreign Affairs, Defense, and Police do not know that Dario Kordic is in Zagreb, on the "territory of the Republic of Croatia."

The state lawyers, who were surprised by GLOBUS's inquiry, also appear not to be aware of this fact. They said that they did not understand why we had asked them about Dario Kordic's presence in Zagreb.

Zlatko Kuretic, spokesman for the Ministry of Internal Affairs, was not able to say anything for GLOBUS on Dario Kordic's presence in Zagreb. He suggested that we contact the judiciary. [passage omitted]

The Kordic family has moved into the new building in Tresnjeva, where there are several military-owned

apartments, only recently after the Hague Tribunal had filed charges. He lives on the fourth floor in apartment 23. There is no name on the door.

It is obvious that this is a temporary accommodation for Dario Kordic, on whose fate the top state leaders will decide soon. [passage omitted]

GLOBUS's special survey, involving a sample of 600 respondents, showed on 8 July that 60.7 percent of respondents take the view that Croatia should respect its obligations to the tribunal.

The majority of those polled, 54.8 percent, agree that the accused Croats should be arrested if they come to Croatia, 49.7 percent trust the objectivity of The Hague Tribunal, and somewhat fewer think that Tihomir Blaskic should appear in the court.

In the view of 44 percent of the respondents, the Croatian lawyers defending the accused are performing their job satisfactorily, while 17.5 percent do not believe that they are good.

Should Croatia respect its obligations to the Hague International War Crimes Tribunal?

	Percent
Yes	60.7
No	18.1
Do not know	21.2

Do you believe in the Hague Tribunal's objectivity?

	Percent
Yes	49.7
No	29
Do not know	21.3

Do you agree with the arrest of the accused Croats if they happen to be on the territory of Croatia?

	Percent
Yes	54.8
No	24.7
Do not know	20.5

Croatia: Serb Chief Says No Problems in E. Slavonia Joint Police

LD1607222596 Belgrade TANJUG in English
2133 GMT 16 Jul 96

[FBIS Transcribed Text] Vukovar, July 16 (TANJUG)—The joint Serb-Croatian police force in the Serb region of East Slavonia, Baranja and West Srem has encountered no special problems since it began work on July 1, according to the force's Serb chief.

Police Chief Petar Djukic told TANJUG on Tuesday that there have been no incidents, either, between Serb and Croatian policemen themselves, and that the number of joint patrols is on the rise.

Djukic refused to specify how many teams of two Serb and two Croatian police officers are patrolling the region at this time, but said that their number is in keeping with the needs of the security situation and the number of offences.

Djukic's deputy is Josip Milicevic, a Croat, who comes to work daily from Osijek to the headquarters of the joint force at Borovo.

The Serb region of East Slavonia, Baranja and West Srem is the only part of the now defunct republic of Serb Krajina that the Croatian Army has not invaded.

An agreement signed by the two sides late in 1995 placed the region under the United Nations' transitional administration for at least one year, and maybe two.

The 1,450-strong joint police force works directly under U.N. administrator Jacques Klein. It is composed of 1,300 Serbs and 150 Croats, and this ratio will not change until the expiry of the U.N. mission's mandate.

Once the U.N. mission withdraws, a new police force will be formed as part of the Croatian Interior Ministry. Its composition will be 40 percent Serb, 40 percent Croat and 20 percent from other nationalities living in the region.

17 July 1996

**THE FORMER YUGOSLAV REPUBLIC OF
MACEDONIA**

31

FYROM: Ethnic Albanians Demonstrate in Skopje
LD1707103996 Belgrade TANJUG in English
0911 GMT 17 Jul 96

[FBIS Transcribed Text] Skopje, July 17 (TANJUG)—Macedonian police stepped up patrols in Skopje on Wednesday after ethnic Albanians rallied massively in the capital's streets the night before.

About 3,000 ethnic Albanians rallied late Tuesday demanding that they be allowed to set up an Albanian-language university in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and that five ethnic Albanian leaders be released.

This is the third ethnic Albanian rally in Skopje over the past two weeks, with Macedonian authorities not ruling out the possibility of escalation of unrest due to ethnic Albanian extremists' growing dissatisfaction.

The five ethnic Albanian leaders were sentenced to between four-month and one-year imprisonment after taking part in unrest in Tetovo, about 35 km west of Skopje, last February when one person was killed and 28 injured.

The unrest broke out when the police tried to prevent the setting up of an ethnic-Albanian university in the town which is contrary to the Macedonian constitution.

Wearing their national symbols, the demonstrators accused late Tuesday the government of discriminating

ethnic Albanians and called on the international community to help them set up an Albanian-language university.

Macedonian press reported that the ethnic Albanians' rallies were aimed at winning media attention for the Party of Albanians' Democratic Prosperity ahead of local elections scheduled for autumn.

FYROM: New Cases of Livestock Disease Reported
LD1607215196 Belgrade TANJUG in English
2016 GMT 16 Jul 96

[FBIS Transcribed Text] Skopje, July 16 (TANJUG)—New cases of foot-and-mouth disease in the Bitolj, Demirhisar and Makedonski Brod areas in Macedonia were reported Tuesday, although it had officially been announced Monday that the spreading of the disease had been checked.

The vaccination of livestock continues in Macedonia, especially in border areas toward Albania, Yugoslavia and Greece.

State-run Skopje radio reported Tuesday that European Union experts had visited some villages in the Debar municipality on the border with Albania to check if the envisaged measures for the suppression of the disease were being carried out.

Poland: Rosati Views Relations With Slovenia, Europe

AU1507085296 Ljubljana DELO in Slovene
29 Jun 96 p 6

[Interview with Polish Foreign Minister Dariusz Rosati by Radovan Kozmos; place and date not given: "The Common Denominator of the Foreign Policy is the Return to Europe"]

[FBIS Translated Text] Polish Foreign Minister Dariusz Rosati today signed agreements on the protection of investments and the avoidance of double taxation with Slovenia's acting foreign minister, Zoran Thaler. After a short press conference, he agreed to give a short interview to our daily.

[Kozmos] Foreign Minister, it is probably still a little early to give us your impressions of your visit to our country, but you could tell us a little about your visit to the port of Koper yesterday?

[Rosati] Well, I can already tell you that I am satisfied with my visit to Slovenia, since I have already met with your foreign minister, the president of your country, and your prime minister. We agreed upon more or less everything we discussed. Let me only mention the strategy of getting closer to the European Union and NATO, as well as our mutual interest in greater security and stability in Europe. Regarding your question on the port of Koper—the port is a most impressive gateway to the world. We explicitly asked for the visit to the port, since we are convinced that it offers many opportunities for closer cooperation.

[Kozmos] Did you want to convince yourself on site of the fact that the cooperation between the Koper and Polish ports is a realistic and even a profitable possibility?

[Rosati] I firmly believe that Koper has great potential. Even now, a large amount of goods intended for the Polish market pass through it. Especially cars from South Korea. From an economic point of view, this cooperation is very much justified. This is of course not everything. A transportation connection between the ports of Koper and Gdansk on the Baltic should be established. This is also because the trade could be expanded to the Scandinavian states, which still do not have a suitable link with the Mediterranean. I find this possibility extremely interesting.

[Kozmos] Today in Ljubljana, you signed agreements that could be classified as being among the general documents that are characteristic of the beginnings of interstate cooperation.

[Rosati] That is true. These agreements are more or less the pre-conditions for the establishment of closer economic and trade links. However, many other agreements are being prepared. I hope they will be signed this year.

[Kozmos] With your permission, let us now focus on your country. How do you assess the general and economic transformation of Poland in the last 10, 15 years?

[Rosati] The real transformation only began in 1989; before that there were only partial and limited reforms. I think we have made a great deal of progress since then. We managed to get out of the deep crisis, which we most probably could not have avoided. In the last three years we have had the fastest economic growth in Europe. I must mention also the numerous structural reforms, the far-reaching changes in our legislature. In short, I believe that we have spent these past years in a very productive manner. Today Poland actually has a market economy. Some 65 percent of the gross national product is created by the private sector, prices are under control, the zloty [Polish currency unit] is relatively stable—in short, the financial conditions are quite satisfactory.

[Kozmos] In mentioning the 10 or 15 years, I meant the mass demonstrations of workers, which in 1981 led to the leadership of General Jaruzelski, the introduction of the state of emergency, as well as its abolition in July 1983, the rise of Lech Walesa, the first free elections, and after that, a number of different governments. Would you say that the disappointment of the Polish voters, especially the workers, regarding the government, is considerably lower than in the past?

[Rosati] I believe it is. In the past, around 80 percent of the people opposed the system and wanted to change it. Today we live in a democracy, where people can express their will freely at the elections. It is true that a number of governments have changed in a relatively short time, but this still happened within the framework of the democratic process. Such frequent political changes in the past six years are perhaps also a reflection of the somehow naive expectations of the people, which are characteristic of the beginning of a social transformation. These are the expectations that the conditions will improve for the better more or less overnight. Despite the understandable disappointment, the frequent political changes fortunately have not harmed the economy; even the political conditions are, I hope, more and more stable.

[Kozmos] Would you say that your government has the necessary stability to work effectively?

[Rosati] We even have a two-thirds majority in the parliament. It is really a coalition of two parties, and the

coalition is not immune to individual internal tension, but this does not seriously threaten it. I hope that we will be able to continue our work even after the general elections next year.

[Kozmos] What are the priority tasks of your foreign policy?

[Rosati] These have not changed since the beginning of the reforms six years ago. I could sum it up in one sentence as the return to Europe—full membership in the European Union and in NATO. We are convinced that we can, especially in the EU, realize our interests best, and within the framework of NATO—which we see more as an important factor of stability than as a military alliance—we contribute to the greater security and stability of this part of Europe. Even 80 percent of the Poles support membership in the EU and NATO. Regarding this I, as a foreign minister, am in a relatively comfortable position.

[Kozmos] What have your experiences with the EU so far been like?

[Rosati] We would like a faster expansion of the Union, so we are endeavoring that the associative members, including Slovenia, more actively cooperate in the overcoming of the obstacles that are standing in the way of our goal. These obstacles are sometimes also the result of insufficient or even incorrect information.

[Kozmos] Two concepts of the EU expansion generally exist: the "real" Franco-German concept, and the British concept, which is an attempt to use the expansion of the EU as a means to prevent the further (political) intensification.

[Rosati] The general opinion in Poland, as I have already said, is that the membership within the EU is of vital importance. If possible, in a strong, effective Union, according to the Franco-German model, with fully developed decisionmaking rules, without thus threatening the identity of any of the member states.

[Kozmos] What about the possible negative points? How successful are you, let us say, with the realization of the regulations of the associative membership? What are the conditions in your farming industry like?

[Rosati] As you know, the associative agreement did not cover farming, so that the progress in this area is unfortunately minimal. We are considerably more satisfied with trade, since its extent will greatly expand after the agreement is signed. But the EU is still placing obstacles in our way, such as import quotas, which it can limit according to its own will. We would like a more honest relationship and easier access to the market

of the 15 member states, as well as a more serious consideration of our desire for a full membership.

[Kozmos] By the way, can foreign citizens purchase land and real estate in Poland?

[Rosati] They can. Residential real estate and land for investment purposes. They cannot purchase farmlands, but a similar limitation is also valid in most EU states.

[Kozmos] How would a possible election victory of the Russian presidential candidate Zyuganov affect your foreign policy?

[Rosati] We do not have a special position toward the Russian elections. We are prepared to cooperate with all democratically elected leaders. We, of course, wish that the democratic reforms in that country continue, but the basic direction of our foreign policy will not change, regardless of the outcome of the July elections.

[Kozmos] The relations with your other former opponent, Germany, are considerably better settled, both politically as well as economically....

[Rosati] Yes, the relations are excellent.

[Kozmos] In your opinion, how important is the role of the Visegrad group and CEFTA?

[Rosati] Let me emphasize that five years ago, we had had three neighboring states, and today we have seven, and none of them are the same. We had to establish relations with all of them again. Economically we cooperate with Germany the most, and we traditionally have good relations with the Visegrad group, also because of the free trade agreement, which at least two countries will join this year. I am convinced that this cooperation is very positive, since it strengthens stability, and at the same time it shows the EU that we are mature and capable of cooperating, and therefore not a risk factor for the Union.

[Kozmos] It is sometimes difficult to get rid of the feeling that your country is trying to assume the leading role in the Visegrad group. This is something that the Czech Republic is obviously not enthusiastic about, since it, as it seems, would like to do the same?

[Rosati] No, no, I assure you that we have no such ambitions. We want to cooperate with the partners of the Visegrad group as well as CEFTA in an equal manner.

[Kozmos] In Poland, the church still plays a very important role. What is your opinion of the argument that in a contemporary society church and state must consistently be separated?

[Rosati] It is true that the Catholic Church is traditionally a most important institution and an inseparable part

of the people's identity. In this regard, I think, a certain role in the public life justifiably belongs to it. I personally am not a supporter of the complete separation of church and state, but the state after all has to be regulated in some way, so that it also suits the 5-8 percent of the people who did not proclaim themselves Catholic. Because of the role it played in the seventies and the eighties, when it, as the only legal institution opposed the authorities at that time, probably not all the priests have noticed that their role in this decade has changed, and that they should give up their political activities. No matter how religious the Poles are, they are much more skeptical about the issue of the extent and depth to which the church's influence should be.

Poland: Rosati Fears Vatican Reaction to Concordat Delay

LD1607175496 Warsaw Polskie Radio First Program Network in Polish 1700 GMT 16 Jul 96

[FBIS Translated Text] Foreign Minister Dariusz Rosati has said that he would not be surprised if the Vatican withdraws from further talks on the Concordat issue. In an interview for the Catholic Information Agency, he said that this would have disastrous consequences for Poland's external and internal situation and for the present government.

Rosati admitted that he fears the contents of the Vatican's statement on the issue. As you probably know, the Sejm has postponed ratification of the Concordat until the new constitution is adopted.

Poland: Rosati Departs for Dublin

LD1707105696 Warsaw Third Program Radio Network in Polish 0900 GMT 17 Jul 96

[FBIS Translated Text] Foreign Affairs Minister Dariusz Rosati has left for an official visit to Ireland. During his two-day stay in Dublin, he will meet Prime Minister John Bruton and Foreign Minister Dick Spring.

Pawel Dobrowolski, spokesman for the MSZ (Ministry of Foreign Affairs), said that the main subject of the talks would be Poland's efforts to join the European Union. Ireland has been chairing the EU since the beginning of July.

[Begin Dobrowolski recording] Ireland's position is not different to the position of all the other EU members who, in principle, are in our favor. However, we would like to find out whether there are any areas of misunderstanding, as they may appear, and we would not like to be taken by surprise. Ireland can undoubtedly tell us how to use the EU structural funds because it has been applying these mechanisms itself very effectively.

When I mentioned a potential area of threatening competition, it is perhaps the agricultural policy where Polish and Irish interests could be expressed differently by the two ministers. [end recording]

Poland: Government Modifies Foreign Ministry Statute

WS1707142096 Warsaw TRYBUNA in Polish 17 Jul 96 p 3

[Report by "Z.S.": "New MSZ Statute"]

[FBIS Translated Text] *The Ministry of Foreign Affairs [MSZ] will acquire rights to adapt its internal structures to its own needs, according to a new provision included in an ordinance on the MSZ statute adopted yesterday by the government.*

The statute is based on principles developed for all ministries and provided for in a similar document passed recently on the Ministry of National Defense. It, therefore, does not pertain to such issues as the prerogatives of the minister and his deputies or the business pragmatism of employees. Those issues are regulated by separate laws.

As TRYBUNA learned, the new statute will enable the MSZ to establish new departments: for economic relations, security (namely, NATO-related issues), and European integration (issues related to the EU). The latter two have been subordinated to one department which was unable to cope with the multitude of problems.

Poland: Oleksy on Ruling Coalition's Actions, Policies

WS1607144396 Warsaw ZYCIE WARSZAWY in Polish 16 Jul 96 pp 1, 3

[Interview with Jozef Oleksy, chairman of the Social Democracy of the Polish Republic, by Elzbieta Szwaczko; place and date not given: "The Coalition's Colors"]

[FBIS Translated Text] [Szwaczko] "We need time to show society the effectiveness of our government," you keep repeating at regional meetings with fellow social democrats. However, the left has had ample time—which it did not use to meet social expectations.

[Oleksy] But this does not mean that the left has wasted time because the balance sheet is currently in the country's favor.

[Szwaczko] People are becoming increasingly tired of the sluggish changes and disappointed with the slow pace of reforms.

[Oleksy] I know social disappointment will manifest itself and that social trust will decline—because of the hostile propaganda, among other reasons—but that is a natural consequence of reform. Consider what could have happened with Polish citizens living in extreme poverty were it not for the government of the socially sensitive center left. When you look at the transformations properly projected by the "Solidarity" governments—socially painful, but correct from the standpoint of economics and the market—one has to admit that the left made the right decision by balancing the high costs of transformations with easing the degradation of various aspects of living. I think a pretty good job has been done of it.

[Szwaczko] However, the fact that you are obstructing certain socially important laws is causing you to lose your credibility and raises distrust among voters.

[Oleksy] I am also very upset by the delay in the passing of, for example, the health security reform, the law on pension funds, the self-government reform law. It turns out that the bureaucratic machines of the particular ministries operate sluggishly, regardless of what color the governing coalition and the government represent. The opposition is thus right in pointing out that several projects are being impeded or blocked. Nevertheless, a lot has been done and we generally have nothing to be ashamed of.

[Szwaczko] Support for the left is, in a way, an expression of social nostalgia for the old order, discipline, safety in the streets, and yet the citizens feel disappointed in this respect as well...

[Oleksy] And wrongly so, because this year the crime rate has declined by 10 percent, and in some areas by as much as 22 percent. Just show me a television program which addresses this.

[Szwaczko] The left should not raise such criticism considering it handed over the media to the opposition without a fight.

[Oleksy] We have no influence on that, and we are very virtuous...

[Szwaczko] Perhaps overly virtuous for a major ruling party?

[Oleksy] Perhaps. We were definitely overly virtuous in 1993, when we took power but did not requisition any instruments for wielding it. We had an inferiority complex back then; we were dazed by our victory and prepared to cooperate. Meanwhile, our rivals focused on destroying the new system of power which, unfortunately, we learned too late and very painfully.

[Szwaczko] Do you have anything against the fact that the press market is governed by foreign capital?

[Oleksy] The time has come to legally define the share of foreign capital in the Polish media and defend Polish interests.

[Szwaczko] At one of the voivodship conventions of your party you said you feared the unification of the right...

[Oleksy] I spoke on behalf of the citizens on what the consolidation of the right under slogans of confrontation and settling accounts with the past implied for Poland.

[Szwaczko] Your political prestige has recently slipped. How strong a party rival does that make [head of the Office of the Council of Ministers] Leszek Miller?

[Oleksy] I know it is rumored that we are rivals, but I have to clearly state that whoever thinks chairing a party is a lucky break is wrong. I am performing this function voluntarily. The speculations could be targeted at undermining our structures, but we are too wise to split up at a time when pulling ranks tightly is called for. Please believe me, the left has a huge sense of ethical and strategic responsibility. We are not kids fighting over toys.

[Szwaczko] However, are the social democrats not committing the old party mistake of flaunting tested comrades instead of launching new faces?

[Oleksy] We have not yet developed a good mechanism of promoting new leaders. This is becoming a burning issue as we are being joined by young social democrats and continue to win more support among young people.

[Szwaczko] Did you ever want to take a rest from politics?

[Oleksy] I have to admit I am sometimes tempted by the thought. Not because of what happened to me [the Oleksy case], but because of the shallowness of public life I observe and what I call "political Nikiforism"—no offense implied to Nikifor [Polish primitivist painter], of course.

[Szwaczko] You have a strong character and steel nerves. Back when you were minister of social conflicts in Mieczysław Rakowski's government, striking trade union representatives called you a "cold and brutal toughie"....

[Oleksy] I was never a toughie. I have always been nice, charming, and—most importantly—an effective negotiator.

[Szwaczko] Thank you for the interview.

Poland: Antiradar Camouflage Techniques

96EP0080B Warsaw WOJSKOWY PRZEGLAD

TECHNICZNY I LOGISTYCZNY in Polish

No 2, Mar-Apr 96 pp 14-15

[Article by Maria Tabaczynska and Marek Bekasiak:
"Kinds of Camouflage"]

[FBIS Translated Text] Camouflage is a means of protecting troops in combat. It comprises the objectives, projects, and activities intended to conceal the actual situation and mislead the enemy. In view of the scope of its purposes and objectives and the nature of the related organizational and implementing measures, it is divided into operational and direct camouflage.

Direct camouflage comprises activities intended to conceal, or alter the features, of both discrete and grouped facilities, devices, and equipment, using both prescribed means and techniques and improvising, as part of the engineering support of troops. In view of the characteristic features and nature of the means used for this purpose, direct camouflage may be subdivided into camouflage used for purposes of disinformation, concealment, and use of mockups.

Concealment, that most typical form of direct camouflage, consists of employing any means and procedures with the object of hindering, or even preventing, the enemy from detecting and identifying equipment and personnel, both in regions of deployment and within the structure of a combat formation. To this end, prescribed means and techniques should be employed with allowance for the specific nature of the camouflage needed as a function of the surveillance techniques used. Thus, the following kinds of camouflage may be needed: visual, anti-infrared, and antiradar coatings; antiradar nettings; microwave absorbers in the form of pastes (paints) applied in multiple layers; and microwave absorbers in the form of sheets attached to the underside of the chassis.

Radar Surveillance

Radar stations serve to scan the terrain and installations irrespective of the time of the day and the weather. New developments in radar have enhanced its resolving power to such an extent as to make its quality of imaging close to that of optical devices, and it has the advantage of affording an extensive range of surveillance and the possibility of scanning large tracts of territory within a very short period of time. Modern ground and airborne radar for scanning the battlefield as well as the radar mounted in the warheads of intelligent homing weapons operate in the X, Ku, and K frequency bands.

The principal factor determining the possibility of the detection and identification of objects by radar is its ability to distinguish, identify, and record radar signals bounced off the targets present within the range of surveillance.

The detection range of radar depends on its energy potential, ensuing from specified technical parameters, and on the effective target cross section. The target cross section determines the intensity of the signal bounced off the target in the direction of the radar and depends on the dimensions and shape of the target as well as the properties of the materials of which it is made.

From the equation of the maximum radar range it ensues that the sole practical approach to limiting the scope of radar detectability, i.e., camouflaging, is to reduce the target cross section (echo area). This can be accomplished by the following techniques:

—"Shaping" the configuration of the target so as to reduce the size of the "specular" reflections (of flat surfaces), scattered reflections (due to surface "roughness"), and "resonant" reflections (due to the "half-wave" dimensions of separate parts of the target).

—Cancellation, or covering the target with a dielectric absorber (e.g., camouflage netting).

—Coating selected surfaces of the target with microwave absorbers.

The radar cross section can be reduced to a minimum by employing a combination of the above techniques.

The extremely high cost of altering the shape of the target necessitates giving priority to more accessible and less expensive means of camouflaging. Most of these serve to reduce the target cross section to a fraction of its normal size, which reduces more or less in half the radar detection range.

Antiradar Camouflaging

Antiradar camouflaging can either make it totally impossible to detect combat equipment or serve to misidentify it. In the latter case the object detected by radar, say, a tank, may be misidentified as a car and thus considered a less important target during a combat assault. Delayed detection may also imperil radar sets because they may be present in the zone of fire against the targets being detected, which, being equipped with radiation sensors, may pinpoint the location of radar and destroy it.

A tank is a typical example of combat equipment with complicated shapes. Its particular surfaces distinctly reflect signals in the direction of ground and airborne radar, as well as in the direction of intelligent weapons. A signal bounced off a tank is easily distinguished from

direct background noise on the radar screen, whereas a camouflaged tank blends with that background.

One way of camouflaging is by reducing the target cross section. This can be achieved by coating the target with a material with damping properties (microwave absorbers) or covering it with camouflage netting made of materials with a high dielectric loss and a specific spatial structure.

Antiradar Camouflaging of Tanks

As part of the research performed at the Military Institute of Weapons Systems Technology, a prototype batch of a special-purpose microwave absorber was developed in collaboration with the Piastow Rubber Industry Institute.

The absorber's basic specifications are:

- Applicable frequency range: X and K u bands (8-18 GHz).

- Coefficient of the reflection of electromagnetic waves, regardless of their polarization, from an absorber mounted on a metal backing: not more than 12 dB.

- Weight: about 6 kg per square meter

- Thickness: 5.4 mm

- Temperature range of use: from - 50 to + 80 degrees centigrade

- Basic ingredients needed for manufacture: chloroprene rubber, dielectric absorbers

- Other properties: resistance to moisture and abrasion, nonflammability, amenability for use as an adhesive and vulcanizing agent for metal surfaces and for painting these surfaces for camouflaging purposes

The absorber can be used for, among other things, camouflaging both mobile and stationary ground equipment to protect it against detection by radar. When applied to combat equipment, it affects correspondingly the secondary radiation characteristics of that equipment and markedly reduces its radar cross section. This, in its turn, reduces the maximum detectability range of surveillance radar and alters the radar signature of the equipment.

Such an absorber has been used on a T-72 tank with the object of camouflaging it as protection against detection by radar. About 20 square meters of that material was applied (with nine square meters fastened directly onto the armor-plating modules of a reactive ERAWA variety of that tank, protecting the turret, the bow, and some

side aprons of the chassis, with the remaining 11 meters being used to cover other external parts of the tank).

The effectiveness of camouflaging of the T-72 tank was evaluated by comparing its scatter characteristics with those of a noncamouflaged tank. Scatter characteristics were measured by the so-called single-position radar method (typical of a majority of present-day radars). The values of the variable radar signals bounced off comparable targets were compared with a fixed reference level (value of the signal bounced off a standard model), with the results given on logarithmic scale (in dB).

The platform bearing the target investigated rotated in the azimuthal plane at the angle $\alpha = 0-360$ degrees, and the irradiation angle of the object at the elevation (beta) was 0 degrees.

The test stand was deployed on flat terrain bare of plant cover. Its specifications are:

- Pulsed radar, working frequency 9,350 MHz

- Antenna pattern range:

 - Horizontal: 5 degrees

 - Vertical: 8.5 degrees

- Discrimination range: 20 m

- Minimum detection distance: 20 m

- Measurement dynamics: 40 dB

- Rotational angle of target: 0-360 degrees

- Measurement distance: 150 m

- Carrying capacity of platform: 35 metric tons

Test Results

On the basis of measurements of the characteristics of radar scatter it was found that the effectiveness of camouflaging a T-72 tank with the absorber developed by the Military Institute of Weapons Systems Technology—as compared with an identical but not camouflaged tank—measured as a function of the decrease in the tank's radar cross section ranges within 7-12 dB, which corresponds to a reduction in the size of that surface by a factor of five to 16 times. In the frontal plane of the tank that reduction amounted to seven dB and in the lateral plane, 12 dB. This is tantamount to reducing by 35 and 50 percent, respectively, the maximum distances of detection of the tank by radar.

Federal

FRY: Minister Says War Criminals' Arrest Difficult To Predict

AU1607202396 Belgrade BETA in Serbo-Croatian
1632 GMT 16 Jul 96

[FBIS Translated Text] Belgrade, 16 Jul—Yugoslav Justice Minister Vladimir Krivokapic told BETA today that a decision regarding the opening of The Hague's office in Belgrade has still not been made, but that it can be expected in the near future.

Krivokapic said that representatives of the Yugoslav foreign and justice ministries are currently in New York and that this is the reason why the opening of The Hague's office in Belgrade can be expected soon.

Today BETA learned in the International Court in The Hague that the Federal Republic of Yugoslavia and the UN yesterday signed an agreement on the opening of an office in Belgrade.

The federal justice minister said that the FRY's obligation to cooperate with The Hague "dates back to the Dayton agreement" but that "there are domestic regulations which are extremely significant and need to be coordinated."

When asked whether the FRY would arrest indicted war criminals, Krivokapic said that "this is difficult to predict precisely because of our regulations," but that "it also depends on the existing demands."

"We must adhere to our regulations, laws, and Constitution and protect our citizens," the minister said.

When asked whether a political decision regarding the arrest of indicted war criminals had been made, Krivokapic said that he does not "deal in the domain of political, but rather legal decisions."

FRY: Negotiator Denies NBJ Dropped Lawsuit Against London Club

AU1607171196 Belgrade BETA in Serbo-Croatian
1230 GMT 16 Jul 96

[FBIS Translated Text] Belgrade, 16 Jul—At recent negotiations with the London Club, the Yugoslav National Bank [NBJ] agreed to the Club's intention not to write off even a small part of its debt, and it also agreed to drop the lawsuit against the Club and Slovenia because of their separate agreement regarding the distribution of the Socialist Federal Republic of Yugoslavia's [SFRY] commercial debt, a London banker said today.

"Writing-off a part of the debt and interest and suspension of default interest is not possible," Andrew Cunningham, expert for international debt with the London

branch of the U.S. investment bank Merrill Lynch, told today's NASA BORBA.

At the end of March 1996 Merrill Lynch completed its report on the former Yugoslavia's debt.

Federal Minister Vuk Ognjanovic, head of the Yugoslav team at negotiations with the Club on 27 and 28 June in London, denied, however—also in NASA BORBA—that the NBJ had dropped its suit against the Club and Slovenia.

As far as the Federal Republic of Yugoslavia's alleged agreement to pay default interest is concerned, Ognjanovic said that "this information obviously does not come from sources that are ready to support FRY requests."

According to Cunningham, the London Club was ready to reach an agreement with the FRY at the first meeting with Yugoslav representatives after the suspension of sanctions, namely, on 27 and 28 June 1996, regardless of the FRY's status in the IMF and World Bank.

However, Cunningham said, the Yugoslav team was unprepared for the meeting; they could not say how much of the SFRY debt Serbia and Montenegro were ready to take on, nor under what conditions.

Ognjanovic said that, at the request of the London Club, the new meeting would be held on 24 July rather than 16 July.

Diplomatic sources in Belgrade, cited by NASA BORBA, claim that two high-ranking officials of international financial institutions have written to Slobodan Milosevic informing him that "a reasonable degree of autonomy for Kosovo" will be a condition for FRY's membership in the said institutions.

"We believe that it will take at least a year for the IMF to get the green light for negotiations with the FRY. As far as commercial banks (London Club) are concerned, we do not expect a concrete agreement with them before 1998," the anonymous source claims.

According to Merrill Lynch, before it fell apart the SFRY owed \$4.5 billion to commercial banks; by 1995 the debt had increased to \$7.9 billion.

If the FRY is recognized as the SFRY's successor, however, the debt will increase by at least \$2 billion, writes NASA BORBA citing Merrill Lynch.

Cunningham described the choice of the Nat West Markets investment company as adviser to the Yugoslav delegation in negotiations with the London Club as "somewhat peculiar" because it had never before dealt with states' foreign debts.

Cunningham believes that the choice is probably the result of "the Yugoslav delegation's good relations with the bank's management."

FRY: German Envoy on Expanding Cooperation With FRY

*LD1607203796 Belgrade TANJUG in English
1725 GMT 16 Jul 96*

[FBIS Transcribed Text] Belgrade, July 16 (TANJUG)—German Ambassador in Belgrade Gerhard Schroombgens said Tuesday that the Dayton accord commitments were being fulfilled gradually, and that the cooperation between the Federal Republic of Yugoslavia [FRY] and the international community would consequently also grow stronger gradually and anti-Yugoslav sanctions would be lifted after elections in Bosnia-Herzegovina.

In an interview to Radio Yugoslavia, Schroombgens recalled that mutual recognition between Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and Yugoslavia was Germany's basic condition for raising its diplomatic relations with Belgrade to the level of ambassadors, and that this was done last April 19.

German Foreign Minister Klaus Kinkel had made it clear that a solution was being sought for the fundamental problem of about 120,000 FRY nationals living in Germany without legal status of foreign resident, the ambassador said.

Once this issue is resolved, Bonn will exert maximum pressure for Yugoslavia's reintegration in world financial institutions and the international community, Schroombgens said.

Yugoslavia's admission into the International Monetary Fund and the World Bank will also enable German banks to provide guarantees for investments in Yugoslavia, he said.

Referring to bilateral economic cooperation, the ambassador said its prospects were good as Yugoslavia had great potentials. Cooperation will be resumed above all in the field of infrastructure as large German companies are interested in cooperating with Yugoslav railways, as well as in power industry, the ambassador said.

FRY: Opposition Parties Criticize New Citizenship Law

*LD1607222496 Belgrade SRNA in Serbo-Croatian
1758 GMT 16 Jul 96*

[FBIS Translated Text] Belgrade, 16 Jul (SRNA)—Nikola Stanic, a deputy of the People's Party of Montenegro [NSCG], said today that the citizenship law

is much more restrictive than the law which dealt with the problem of refugees in 1992.

"The regime at that time stood to have the support of refugees so the laws were more acceptable to them," Stanic said at a joint news conference given by the opposition in the federal assembly.

Stanic said that the new citizenship law was virtually identical to that passed in Croatia, something which, he said, "once again confirms that the authorities in Belgrade and Zagreb are, in essence, no different."

Miodrag Perisic, a deputy of the Democratic Party (DS), said that there is a big discrepancy between this law and the insistence of the authorities on the political continuity of the state.

"The section of the law on citizenship which relates to refugees is in no way in keeping with efforts to prove continuity with the former Yugoslavia," Perisic said.

He said that instead of being satisfied with a declaration by those who seek citizenship that they will respect rights and duties, the competent authorities expect loyalty from them.

Serbia

Serbia: Daily Says Negotiations on Kosovo To Begin in Fall

*LD1607124296 Belgrade SRNA in Serbo-Croatian
1135 GMT 16 Jul 96*

[FBIS Translated Text] Belgrade, 16 Jul (SRNA)—Talks between the Serbian authorities and representatives of the Kosovo Albanians are expected to begin this fall, the Belgrade-based DNEVNI TELEGRAF reports today.

Citing sources close to the Serbian Government, the daily says it is certain that the Serbian negotiating team will include two representatives of the New Democracy [Nova Demokratija—ND, junior partner in Serbian coalition government] and that one of them will be the [ND] party chairman, Dusan Mihajlovic.

Serbia: SPS's Dacic Rejects 'Blackmail' in Dialogue With Kosmet

*AU1607203196 Belgrade BETA in Serbo-Croatian
1632 GMT 16 Jul 96*

[FBIS Translated Text] Belgrade, 16 Jul—Ivica Dacic, federal deputy and spokesman of the Socialist Party of Serbia [SPS] today told BETA that there had never been any controversy on the Serbian side regarding a dialogue with Kosovo Albanians, but the state cannot agree to blackmail.

"We shall not agree to blackmail or the presence of a third side in this dialogue," Dacic said.

He added that no date for beginning negotiations with the Kosovo Albanians had been set.

Serbia: Sandzak SDA Denies Meeting With Lilic Requested

AU1607144496 Belgrade BETA in Serbo-Croatian 1102 GMT 16 Jul 96

[FBIS Translated Text] Novi Pazar, 16 Jul—The Sandzak branch of the Party of Democratic Action (SDA), whose president is Rasim Ljajic, today denied that it had requested to be received by Federal Republic of Yugoslavia (FRY) President Zoran Lilic.

"Dzemal Suljevic is not authorized to represent the SDA, nor is he a member," reads the SDA statement prompted by yesterday's reception of several Sandzak party representatives by the FRY president.

The statement has been dispatched to FRY President Lilic's office, who in the future is expected to contact Sandzak SDA President Rasim Ljajic.

Serbia: Political Parties View Bosnia Problems

LD1607212496 Belgrade TANJUG in English 1924 GMT 16 Jul 96

[FBIS Transcribed Text] Belgrade, July 16 (TANJUG)—The president of the Serbian Renewal Movement (SPO—opposition) Vuk Draskovic noted Tuesday that there can be no lasting reconciliation in the territory of the former Yugoslavia as long as refugees are not enabled to return home and their rights fully respected.

Ethnic cleansing must not be allowed to be legalized, which is why it is imperative to ensure the return of all refugees—Serbs, Croats and Muslims, Draskovic said.

SPO is the strongest opposition party in Serbian parliament.

The president of the republican committee of the League of Communists-Movement for Yugoslavia (SK-PJ, not represented in the parliament) Goran Latinovic said Tuesday that extremists in Bosnia-Herzegovina remain intransigent and might go as far as to cause conflicts among their own peoples.

The international community, whose priority task should be to ensure the regularity of elections in Bosnia, should prevent nationalist forces such as the (Muslim) Democratic Action Party (SDA), Serb Democratic Party (SDS) and Croatian Democratic union (HDZ) from running in Bosnian elections, Latinovic said at a press conference.

The three parties are now ruling in their respective parliaments.

Serbia: Increased 'Pressure' Forces ARGUMENT To Fold

AU1607152696 Belgrade BETA in Serbo-Croatian 1300 GMT 16 Jul 96

[FBIS Translated Text] Belgrade, 16 Jul—Based on a decision passed by the editorial board, the illustrated magazine ARGUMENT will cease to come out, editor in chief Ratko Dmitrovic announced today.

The statement claims that the reason for the discontinuation of the magazine is that lately "pressure on ARGUMENT had significantly increased, namely, the distribution of the magazine was obstructed, as were payment transactions for the already sold circulation."

"In the two and a half years since ARGUMENT started coming out, it had enabled all political factors (parties and individuals) from the region of the former and present Yugoslavia to state their opinions and stances. These involved the extreme right and extreme left, and thus contributed to the democratization of society and the nurturing of tolerance," the statement reads.

"It seems that there were certain people who did not agree with this, and ARGUMENT was stopped in a perfidious manner," the statement concludes.

Serbia: Labor Institute Director Provides Unemployment Figures

AU1607204396 Belgrade DNEVNI TELEGRAF in Serbo-Croatian 15 Jul 96 p 2

[Unattributed report: "More Unemployed Than When Under Sanctions"]

[FBIS Translated Excerpt] Belgrade—The Serbian Labor Institute has undertaken measures that will create the conditions for employing 95,000 unemployed in the first half of the year; some 193 million dinars have been earmarked for this purpose, the institute's director, Nikola Ristivojevic, told TANJUG.

He stressed that, in addition to this, another 35,000 people had been employed in the first six months of the year at the request of companies, which, in comparison to last year, is an increase of 23 percent.

Although there are currently some 763,000 unemployed in the republic, which is 8 percent more than last year, it is not the number of unemployed that has changed, but the structure of the demand, Ristivojevic said, and added that, in the past few years, and particularly since the suspension of sanctions, qualified workers have been in demand. [passage omitted]

Serbia: Retired General on Prospects of Military Industry

AU1607193896 Belgrade VECERNJE NOVOSTI
in Serbo-Croatian 9 Jul 96 p 14

[Report by Dragan Vujicic: "Prospects Are in Civilian"]

[FBIS Translated Text] Up to its disintegration, the SFRY [Socialist Federal Republic of Yugoslavia] had been one of the world's largest exporters of arms and military technology. Yugoslav experts had been engaged in all parts of the world in building the most complex military facilities, from air force bases to docks. The military industry manufactured arms ranging from pistols to tanks, fighter planes, and submarines. During the golden age in the early nineties, the value of projects conducted by the SFRY was \$7.5 billion, which enabled an annual net hard currency income of \$2.5 billion. At that time the main propelling force of the country's development was the military industry. All business arrangements were channeled through the Federal Office for Reserves and Special-Purpose Products (SDPR), at that time one of the world's most powerful companies. The breakdown of the country resulted in the breakdown of the military industry. All the newly created states are struggling to resolve what to do with these companies. Our federal government has recently initiated a project called "The Military Industry of the FRY [Federal Republic of Yugoslavia]—Its Condition and Possible Directions of Development," that has engaged, among others, the Center for Military-Strategic Research of the Belgrade School of Economics, headed by Dr. Sreten Cupic, retired general.

Perspectives

Speaking about the federal government project, General Cupic points out that this is a very complex and serious research, which is still in its initial stage. The problem of the military industry that government experts face is very delicate and important because every company that works for the military industry is a problem in itself and requires separate solutions. Generally, all 20 companies of the military industry have good prospects in the FRY, but some of them will partially have to transfer to civilian programs. Once the military industry of the SFRY was very powerful and, according to all standards, was the best segment of Yugoslavia's entire industry, Dr. Sreten Cupic says, insisting that the problem of the FRY's military industry must be viewed from the standpoint of the past. "This group of companies was organized as a relatively closed technological system based on the principle of a strict division of production programs, special raw materials, equipment and parts, and finalization. The system encompassed 55 compa-

nies with around 80,000 workers in all six republics, the largest number being in Bosnia-Herzegovina, followed by Serbia and Croatia. The military basis of an analysis, Gen. Cupic claims that under certain conditions, these companies can successfully continue to work on their existing programs, and can even master new technologies because the equipment, technology, and personnel would enable this. However, problems are many and they must be quickly resolved. According to Gen. Cupic, the greatest problem of the domestic military industry is that exports have almost entirely halted and domestic purchase has decreased drastically. These companies are also suffering from general afflictions, such as an unfinished process of transition, organization, management, and ownership transformation. When these problems begin to get resolved, things, of course, will start improving. Gen. Cupic emphasizes that every Yugoslav company that was involved with the military industry is a problem in itself and that there are no general models of resolving the crisis. Capacities in Yugoslav companies have been made out of proportion to cover the needs of the Yugoslav Army, and it is necessary to begin a conversion of the military industry in that part where there are surplus capacities. With their existing manpower and capacities, companies must turn toward civilian programs."

[Box, p 14]

Project

Several expert teams are working on finding new work for the FRY's military industry in different sectors, and the Federal Government is entering negotiations with other friendly countries that have the same problems. The entire project should be completed by the autumn, at which time the problem will be resolved of surplus military industry capacities, that is, what certain factories will manufacture in the future.

[Box, p 14]

Export

Today it is difficult to talk about and plan the export of arms from the FRY. The best recommendation for the military industry is that it manufactures lethal weapons for its army, whose quality first needs to be proven in the Yugoslav Army, and then there will certainly be interested purchasers from other countries. Europe is buried in huge quantities of technically functional, good quality, but—as they say in the West—morally outdated weapons, which are sold at extremely low prices. Therefore, we should seek our opportunities in new programs and on new foundations, Cupic says.

Montenegro

Montenegro: Karadzic Reportedly Repeatedly Turned Back at Border

AU1607184896 Belgrade NASA BORBA
in Serbo-Croatian 16 Jul 96 p 24

[Report by MONTENA-FAX: "Karadzic Attempted To Enter Montenegro Several Times"]

[FBIS Translated Text] Podgorica—In the past six weeks former Bosnian Serb leader Radovan Karadzic tried to enter Montenegro on several occasions, but he was repeatedly turned back at the Vracenovici border crossing. MONTENA-FAX has learned from reliable sources.

According to the same source, Radovan Karadzic asked border authorities to allow him in for only several hours, enough to get to Niksic and visit his mother, but his request was rejected. The official order states: Radovan Karadzic is forbidden from entering Montenegro.

It is believed in the Montenegrin capital that the order banning Radovan Karadzic from entering the republic will be maximally observed primarily because Belgrade could order Karadzic's arrest on the territory of the Federal Republic of Yugoslavia while he is in Montenegro, which would compromise the Montenegrin leadership in the eyes of the local Serb population.

Kosovo

Kosovo: United Left Leader Praises Kosovo Residents

LD1507221896 Belgrade TANJUG in English
2207 GMT 15 Jul 96

["Pool" item]

[FBIS Transcribed Text] Pristina, Yugoslavia, July 15 (TANJUG)—A Yugoslav United Left leader paid tribute to the people of Serbia's Kosovo-Metohija province on Monday for the fact that war in former Yugoslavia had not spilled over into the province.

Yugoslav United Left President Ljubisa Ristic said in the provincial capital of Pristina that credit for the war not having spread there went equally to all the people of Kosovo-Metohija—Serbs, ethnic Albanians, Montenegrins, Turks, Romanies and others.

"If I were on the board awarding the Nobel peace prize, I would recommend that it go to the people of Kosovo-Metohija," said Ristic, speaking at a promotion convention of the nonparliamentary United Left bloc.

There are at least three reasons why bloodshed has not spread to engulf the province, he added.

One is that the wise ethnic Albanian residents would not allow their children to embark on such an adventure, Ristic said.

Another is that the state has demonstrated force but has not crossed the line of good sense, and a third is a balance of fear created by the developments in Bosnia-Herzegovina, he added.

Ristic said that it was time for the people to reach out to each other with trust, in order to build an equitable and richer life in these lands.

United Left bloc official Vladimir Stambuk said that the bloc was striving for Kosovo-Metohija to be no longer "a place for foreign delegations questing for inequality."

We must show that we apply European standards and modern criteria, Stambuk added.

Vojvodina

Vojvodina: PM Stresses Importance of Ties to China, Germany

LD1507154196 Belgrade TANJUG in English
1501 GMT 15 Jul 96

[FBIS Transcribed Text] Belgrade, July 15 (TANJUG)—The Prime Minister of Serbia's northern province of Vojvodina Bosko Peresovic Monday told Belgrade daily VECERNJE NOVOSTI that the resumption and strengthening of cooperation with China and Germany were very important for Vojvodina's economy.

China is a country with the best prospects in Asia and Germany is the greatest economic power in Europe, he said.

The recently established direct ties with Chinese province Jilin demonstrated the two countries' will for cooperation in agriculture, especially bioengineering and seed selection, Peresovic said.

Referring to economic cooperation with Germany, Peresovic said contacts were established with the Krupp Corporation which has proposed cooperation in the manufacture of steel, metal working machinery and plastics and in shipbuilding.

Peresovic, who is also vice president of the ruling Socialist Party of Serbia, pointed to his party's commitment to accelerating the development of agriculture and infrastructure and to improving the quality of life.

By signing the Dayton agreement, Yugoslavia and Serbia were enabled to take part in the world political, economic and financial integration processes and to expand cooperation with neighboring countries, which

is very important for Vojvodina and its economy, Peresevic concluded.

Vojvodina: VMDK Chairman Agoston's Past Exposed

96BA0354H Novi Sad MAGYAR SZO in Hungarian
31 May 96 p 7

["Open Letter to Andras Agoston" by provincial Representative Jozsef F. Varga: "The Relationships and Memberships of Andras Agoston"]

[FBIS Translated Text] Proletarians of the world unite! Andras Agoston was born in 1944 in Ada [Ada] to a teacher family. He obtained his law degree in Ujvidek [Novi Sad] in 1967. Thereafter, for a period of 10 years he ate the occasionally bitter bread of journalism. Later in the days of the party state he became the deputy to the Ujvidek self-administrative prosecutor. After this—just as political cadres who listened to what they were told, but who, in those days, were never selected from the grassroots and who were held responsible from the top down in each and every case—Agoston held a trade union office for six years. In the end, he became deputy director of the Ujvidek Forum House, which he later wanted to purchase for 30 million forints [Ft].

As you said, you have conducted negotiations about this purchase with Mr. Milosevic, too. As you said, he was not even surprised about this matter. All he asked was whether the Ft30 million were enough. Are you saying that the source of the money did not even interest him at that time? I doubt that. I almost forgot to mention that as a cadre you were decorated with the Third Degree Order of Labor. Thereafter you also received the Central Europe Prize. Andras, we all know when and mainly why politicians received Order of Labor decorations in the days of the party state. Comrade Kadar and his people, and Comrade Stalin and his people did the same in their own ways. Quite naturally, the Order was not given to just anyone, and my problem is that you did receive one. Being Hungarian could not have been an easy matter in those days either, especially for someone who was not destined by the party to run a certain course. But there are huge differences between various Orders of Labor. Not so much in degree but for the reasons people received it. I guess you understand what I am hinting at. If, for example, a miner or a foundry worker received the Order of Labor, even if that happened in the days of the party state, such an award carried weight.

Many people say that a long time ago, sometime in December 1989, you provided proof of a high level of political courage when you and a few members of the intelligentsia catalyzed the establishment of the VMDK

[Democratic Community of Vojvodina Hungarians—DZVM in Serbian]. In my view, by doing this, some of you manifested courage, but you, I feel, agreed to join this venture because you had a political itch, and in order to have continuity in your political career. Somehow you must have felt that the time for conducting political discourse on a national basis has arrived, and that you would make the most of what you had surrendered as a political cadre in the days of the party state: your Hungarian character.

In the first multiparty elections you, too, have become a representative in the republican legislature. As you know, at that time one could not vote for slates of representatives. Thus you, unlike the rest of your fellow representatives, were not elected in your own election district, but instead you were elected without an actual voter base, in a place where, in reality, people did not know you. The citizens of Kanizsa [Kanjiza] placed the representative mandate in your lap on a silver platter. You are very well aware of the fact that where you live, and where you are a taxpaying citizen, you obviously would have had a problem to acquire as much as a municipal alderman's mandate. Isn't this also unusual, Andras?

In those elections we cleverly took advantage of our being Hungarians, and without any deeds performed in advance, based on promises only, we won the votes of the majority. Quite naturally, after that we did not know what to do with the undeserved "power" that fell in our laps, and so, as a result of your leadership, the VMDK made increasingly larger blunders. One could already tell in the beginning that not the most appropriate person was elected chairman; you provided eloquent proof of this everywhere you appeared and talked. Let me mention only a few of the many things.

In the beginning you loved to talk about the so-called three-step autonomy. According to your statements, Vojvodina Hungarians had already voted three times on this issue. When were these votes taken, Andras? Never, of course. In every instance we voted for ourselves, i.e., persons, and occasionally for slates of candidates. You are very well aware of the fact that the autonomy issue is not a wish list. At one time, about three years ago, you wrote in the newspaper that you would leave this country, too, should there be no autonomy here within a year. Well, as we know, there is no autonomy anywhere, but you are still here. Later on you tried to weaken the statement you made in haste of course, asserting that you did not make this statement in your capacity as chairman of the VMDK, but as a private individual. Andras, the fox is a fox not because he happens to have red fur but because he is shrewd and takes the hen away. So much about your statement made in your personal capacity.

Having lost the Hungarian bloc by your own mistake, of course, as of recently you have been chasing some kind of personal autonomy, like a mirage. I assume, this, too, will become a hit for a while whenever you make an appearance.

Incidentally, you have already made a statement to the newspaper regarding this issue. Remaining faithful to yourself, you happened to say that while the VMDK offers a partnership with its autonomy plan, the VMSZ [Hungarian Federation of Vojvodina—MFV in Serbian] refers to a servant relationship in its draft agreement. Quite naturally, always in the direction of the prevailing Serb power. You go on, and you think that Vojvodina Hungarians will decide whether they want to be partners or servants of this power. This is a terribly naive approach to these matters. You, on the other hand, know that this is a terribly naive approach and, among other things, this is your mistake. In doing so, you make minors out of the Hungarian people in Vojvodina. Oh, if it were this simple to become partners with those in power! But as you know, cows are not always white or black, most cows are multicolored.

Insofar as your endeavors for autonomy are concerned, I somehow feel that you would be satisfied if they named a narrow street, let us say in Gunaras, Autonomy Street, hallmarked with your name. An earlier statement of yours, according to which the VMDK would negotiate even with the black devil, but never with the socialists and the radicals, also created bad blood, considering the fact that these parties have been in positions of power from the provincial level all the way up to the federal level for the past six years. By not wanting to negotiate with the legitimate representatives elected by the Serbian people, you discriminated against the will of the Serbian people.

We, on the other hand, have said from the beginning that in the interest of the Hungarian people we are willing to negotiate even with the black devil, if that has to be done. As a result of your approach we totally isolated ourselves. On the other hand, you did not approach the opposition because, as you said, there was an Elvira Fekete there. Here, too, you recognized your error too late, of course. In your fear of the VMSZ you joined a Serb nationalist political block composed of Dindic's democrats and Seselj's radicals. You did this jointly with what is left of the VMDK. Where is the Hungarian interest in this move, Andras? Is it not true that here, too, you are only jealous about your own position of power?

On one occasion at Peterreve [Backo Petrovo Selo] in the large auditorium of the local community you happened to say in front of a full house that municipal

elections are not important because all we could do there would be to determine the day when dogs are to be vaccinated. Many were scandalized by this statement of yours. The reason for your statement has become clear by now. You started out in Temerin [Temerin], a village whose ethnic composition is such that you could not become mayor under any circumstance, thus you find that voting would make no sense elsewhere either. In Temerin we would not be able to perform a service like the one we performed in elections at the level of the republic. In Temerin you would have to be judged by your own voter base. One thing is certain, however: No one attacks our local governments with as much passion as you and what is left of the VMDK. Unfortunately, your disagreement does not pertain to questions such as the day on which dogs are to be vaccinated, but to refugee issues, the network of schools, economic affairs, etc. In other words, you disagree with everything. Have you discovered in the meantime that life does not consist solely of dogs?

Andras, at one time you stated to the press that should Hungarians suffer atrocities, and should hoped-for western military defense fail to materialize, you would call upon 150,000 Hungarians to leave their thousand-year-old native land. Apropos, what fate did you assign for the rest of the 190,000 Hungarians? Because if I am not mistaken, there are 340,000 of us. In this instance, too, you began advertising yourself by inferring that you are the one called upon to say when people should pack up and go. Instead of calling upon those who have left earlier to return home, you played into the hands of Serb nationalists, by telling them what script to use if they want to make all of us escape from here. This is treason, Andras, treason at its worst.

On the eve of the last elections, even before you knew the election results, you said that the VMDK has further increased its legitimacy. Well yes, from among the nine representatives we had before, only five remained. Is that your view of increased legitimacy? I do not think so.

After such an election fiasco, any serious political party would feel obligated to draw conclusions and to make the necessary changes in personnel. You have failed to do that, too.

I did not realize that in the meantime you have returned to your original trade: journalism. Why not, this way you can pocket 200 German marks [DM] a month, while the average worker receives dinars equaling DM100.

Now I understand why you have scribbled so much recently. I used to joke about this, saying that the only person you have not yet written to is the Dalai Lama, but all is not lost that is delayed. In your writing

17 July 1996

YUGOSLAVIA

45

published on 19 May, the one to which this letter responds in general, you were much offended. Just because you write differently to everyone, you claim that another essay by someone else amounts to filing a public complaint against the VMDK. Really, Andras? In addition, you also manipulate by mentioning the possibility that your party could be banned as a result of the public complaint.

Is this how fast you forget the so-called Hodi affair? Wouldn't you agree that requesting an accounting of Ft30 million at a time when no support could be provided, presented the same danger as your DM400? This is ridiculous.

The only difference was that your political career at that time demanded that you push aside every possible nominee for the chairman's post who could have challenged you, and you did so by slandering

these people. In doing so, did you not file a public complaint against these people? In every village where you made people learn the distinction under the pretext of the Hodi affair, you began by saying "Well yes, Hodi did steal, indeed." You never presented any evidence. Now you are ashamed because of those few hundred German marks, and ask, who handed out the evidence. Finding out who handed out the evidence is unimportant. Identifying the person who handed out the evidence does not change the facts.

I believe that it is the number one historical task of every well-intentioned Vojvodina Hungarian to get rid of you as a politician. I believe that doing so is an existential issue. You have caused very, very great harm with your presence in political life.

Farewell, Andras!

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